Mining Industry On Parade (Pages 17-32)

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of Any Canadian Financial Paper

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The Nation's Business

U. S. Advertising as Spearhead of Competition

Roebuck Shows Why Public Ownership Cannot Survive

Canada and Sanctions

The Idle Senate; It Should be Put to Work

U. S. Advertising Flooding Canada

THE sales manager of a large American publishing house said in Winnipeg the other day that largely increased sales of American magazines in Canada have resulted from the reciprocity agreement. "The sale of one magazine alone has increased 125 per cent," he added.

If American periodicals double their sales in Canada (and many of them will do at least as well as that this year), it means that twice as much advertising of United States goods will be circulated in Canada. It is little wonder that Washington was so insistent upon getting free entry for American magazines into this country. The magazines are the spearhead of United States manufacturers. They Americanize the tastes of Canadian consumers and pave the way for the enlarged sales of American products in Canada at the expense of Canadian products.

• • •

MANY of the American magazines selling in Canada are, in effect, being dumped in this market. Extensive circulation campaigns carried on by some of the American magazines are costing more than the revenue that will be received in subscriptions, quite apart from the cost of editing and printing the magazines.

How can United States publishers afford to do this? Obviously, it is not being done for the additional profit to be made on the Canadian circulation. It is being done because the publishers want to be able to demonstrate to United States manufacturers that their advertising in those American magazines is creating a market for their goods in Canada.

• • •

THE menace thus presented to Canadian industry can be met only by developing competitive magazines in Canada that interest and attract Canadian readers, that present Canadian viewpoints and that carry the advertising of Canadian manufacturers.

Mr. Bennett sought to protect Canadian manufacturers from this excess of American advertising by putting a tax on the advertising contents of imported magazines. There are arguments for and against this type of protection. Canadian magazine publishers have not taken a stand for the restoration of the duty on magazines. But they have been asking the removal of special taxes which are borne by Canadian magazines and which American magazines do not bear.

Canadian magazines have demonstrated that when costs of printing are equalized by removing taxes paid by Canadian publishers but not by United States competitors, they can give the Canadian public what it wants and thus hold in check the flood of foreign publications now overwhelming our news stands.

• • •

CANADIAN magazines are not asking for a preferred position in their home market but only for an equal competitive position.

The big argument in favor of such a move by the Government is not the good of Canadian publishers but the benefit to Canadian producers in being protected against a type of advertising competition that is grossly unfair to them an to the Canadian people in being given an opportunity to develop a periodical literature at home to offset the Americanizing influences of literature from across the border.

* * *

Where State Socialism Fails

THE destruction of the Ontario Hydro-Electric System was averted by the cancellation of contracts to buy power from Quebec companies. This statement has been made so often by apologists for the repudiation programme that it must be taken as the main reason why Ontario declined to honor its bond to buy the power.

The lengthy two-day address of Ontario's attorney-general last week emphasized the point more than once. It was a case of saving the Hydro. The contracts had to be cancelled or Hydro would go under.

The point overlooks possible alternatives to repudiation; such as higher rates for electric power and light, or the annual advance by the province to Hydro of enough money, raised from the taxpayer, to buy such power as was contracted for but not used.

But let us take the argument as at its face value. It was repudiation and Hydro, or living up to the bargain and no Hydro.

• • •

PROBABLY no more convincing argument of the folly of Ontario's great publicly owned power enterprise could have been conjured up

(Continued on page 2 col. 5)

Pabst Beer Causes Scare To Investors

Shipment Leads to Tale $2 Millions Brewery for Toronto

NOT PROBABLE

Shares of Brewing Corp., Canada Bud Brewing Co. and Walkerville Brewery dropped slightly on March 10 as a reaction to a newspaper story that a carload of Pabst, Milwaukee, beer and ale had arrived consigned to the Ontario Liquor Control Board. This shipment, it was stated, was preliminary to "an almost immediate" building of a $2 millions brewery in Toronto. From this brewery all foreign and British export orders would be filled, it was reported.

The Financial Post found considerable scepticism as to the whole venture among Ontario brewers. E. G. Odette, chairman of the Ontario Liquor Board, stated in reply to questions of The Post that he had refused to entertain numerous applications to erect new breweries in Ontario.

Enough Breweries Now

"There are sufficient breweries in Ontario now," he said. "That has been my attitude to applications already made and I have not changed my opinion.

"One evidence of that is that there have been two brewery failures since I have been chairman of this Commission. The statement that the new brewery of Pabst will can beer as well as bottle it may be dismissed. No demand for canned beer can be fostered in this province because it is against the law to advertise beer or ale in any form. Canning cannot start unless advertising is permitted.

"It is true we have purchased some Pabst beer as we have purchased other foreign beers and ales like Guinness and Bass. But it is coming in bottles, not in cans. And it will be sold only at retail in Liquor Control Board stores and not from Brewery warehouses. No canned beer is for sale in Ontario. The Canadian breweries have a tremendous amount of capital tied up in bottles and bottling equipment. No action of mine is going to injure them financially, especially as there is no demand for tinned beer from the Ontario public."

Mr. Odette has wired to the parent company at Milwaukee for their comments on the Toronto story that a new brewery is intended.

The comment of every Ontario brewer approached by The Financial Post for their opinion as to the effect of the erection of a Pabst brewery in Ontario was the same. "It was a fine advertisement for the beer they are offering, wasn't it?"

"Bad" Laws in Ontario

Beyond that all were sceptical that Pabst really intended to erect a brewery. "Why should he?" said one brewer. "We have the worst laws of any province in Canada here in Ontario. We compete with Quebec brewers who can broadcast and advertise their beer in publications coming here. We cannot. The law restricts us in many ways. We do not fear a brewer who erects a brewery in Ontario. He will be operating under the same conditions as we do. The Ontario industrial code will apply to him and he will have to compete like we do against Quebec where there is no such code."

Another brewer was not so sure. He pointed out that Pabst advertisements will come into Ontario in United States publications, giving it an advantage over Ontario concerns. He said that the consignments to the liquor board did not worry him as they sold at a higher price than did Ontario beer. In addition, the foreign beers do not come in bottles which are standard in Ontario and so there is no credit available to the purchaser for returning a bottle.

Brewing Corp. of Canada was a merger of ten companies. It was brought about by urging that 20 per cent of the equipment would fill all of the province's requirements. It was intended when all mergers had been effected to close smallest plants and concentrate production in largest and most efficient plants. Quebec companies have taken a far larger proportion of Ontario business than expected. If United States companies come in the situation would be somewhat worse.

English Electric Loss Lower in '35

English Electric Co. of Canada will probably show a loss after depreciation in 1935, but results will show considerable improvement over 1934, The Financial Post understands. In 1934 there was a net loss of $52,964 and after charging depreciation of $40,000, a total deficit of $92,964 was recorded.

Working capital of $646,376 at the end of 1934 will probably appear at a lower level in 1935 because the company has made plant expenditures in producing its new "Tube Lights" in Canada. Reception of the new type of lighting has been excellent.

Can. Hydro May Yet Pay Its Dividend

Minimum Earnings Before Deductions Would Allow Payment

PROFITS MAY RISE

From Our Own Correspondent

MONTREAL.—Widespread belief that earning power of Canadian Hydro Electric Corp.'s first preferred stock has been wiped out temporarily under the terms of the new contract between Gatineau Power and Ontario Hydro-Electric Power Commission is not substantiated by an examination of the terms of the contract in relation to reported earnings of the company.

The new contract with Hydro gives Canadian Hydro's subsidiary, Gatineau Power Co., a minimum income of just over $2.4 millions, or about $2.2 millions less than under the old arrangement.

Can Show Profit

With no allowance made for amortization of discount on financing and organization expense, Canadian Hydro, on the basis of the 1934 returns, and allowing for the smaller revenue from Hydro, can show $3.92 a share on its first preferred stock, as against dividend requirements of $6 a share.

As deliveries increase under the new contract, as there is every reason to expect, share earnings move up accordingly to a maximum of $16.40 a share.

While no allowance is made for amortization of bond discount and organization expenses, it should be borne in mind that neither is any allowance made for the company increasing its revenues from sources other than Hydro.

Cuts Revenue $2.2 Millions

During 1934, the last year for which complete returns are available, Canadian Hydro had a gross income of $9,360,974, of which $4,656,060 was derived from the Hydro contracts.

Under the terms of the new agreement, the minimum gross return is reduced to $2,432,950, leaving the company with a gross income of $7,137,864.

Against this Canadian Hydro would have to meet interest charges

(Continued on page 2, col. 7)

Shoe Production Well Above 1935

Canadian production of boots and shoes in January, although down three per cent from the previous month, was 14 per cent greater than in January, 1935. This was the 13th successive monthly gain over the corresponding period of the previous year.

	Jan.	Change From prev. period %	Change From prev. year %
Monthly:			
Boots & shoes, pr.	1,513,959	— 3	+14
Wheat flour prod., brls.	981,988	+ 2	— 4
Raw Sugar:			
Melt. & ship., lbs.	*20,434,690	— 3	—0.9
Manufactured, lbs.	*20,769,861	—12	—19
Imports, lbs.	17,711,200	—78	+86
Weekly:			
Car loadings, No.	45,263	+ 3	+ 3
Cattle sales, No.	15,561	+17	+ 2
Hog sales, No.	17,474	—14	+34

*For 4 weeks to Feb. 22.

Additional figures will be found on page 7.

Social Credit Prophets Split Party Solidity

Ottawa Social Crediters Lean Toward Major Douglas

ABERHART HERETIC?

From Our Own Correspondent

OTTAWA. — The ever-widening rift between Major Douglas, author of Social Credit, and the Aberhart Social Credit government of Alberta, is arousing keenest of interest on Parliament Hill.

The Social Credit contingent at Ottawa will be one of the first units in federal politics to be affected. The federal "social crediters" will now have to choose between its two leaders. The decision, it is learned, has already been made. Major Douglas continues as the prophet. Rather than sever their connection with the founder of the movement, the federal "social crediters," it is learned, are prepared to repudiate Premier Aberhart.

Trouble in Budget

Chief cause of the trouble, apparently, lies with the course pursued by Premier Aberhart since assuming office last August—a course which finally produced the first Aberhart budget.

Major Douglas has asked to be relieved of his retainer as adviser to the Alberta government. If he is to stay, it can only be upon conditions never before conceded by a government in this country. The conditions are that the Aberhart budget be withdrawn in toto and the Aberhart government, as it were, make a fresh start on the task of financing Alberta.

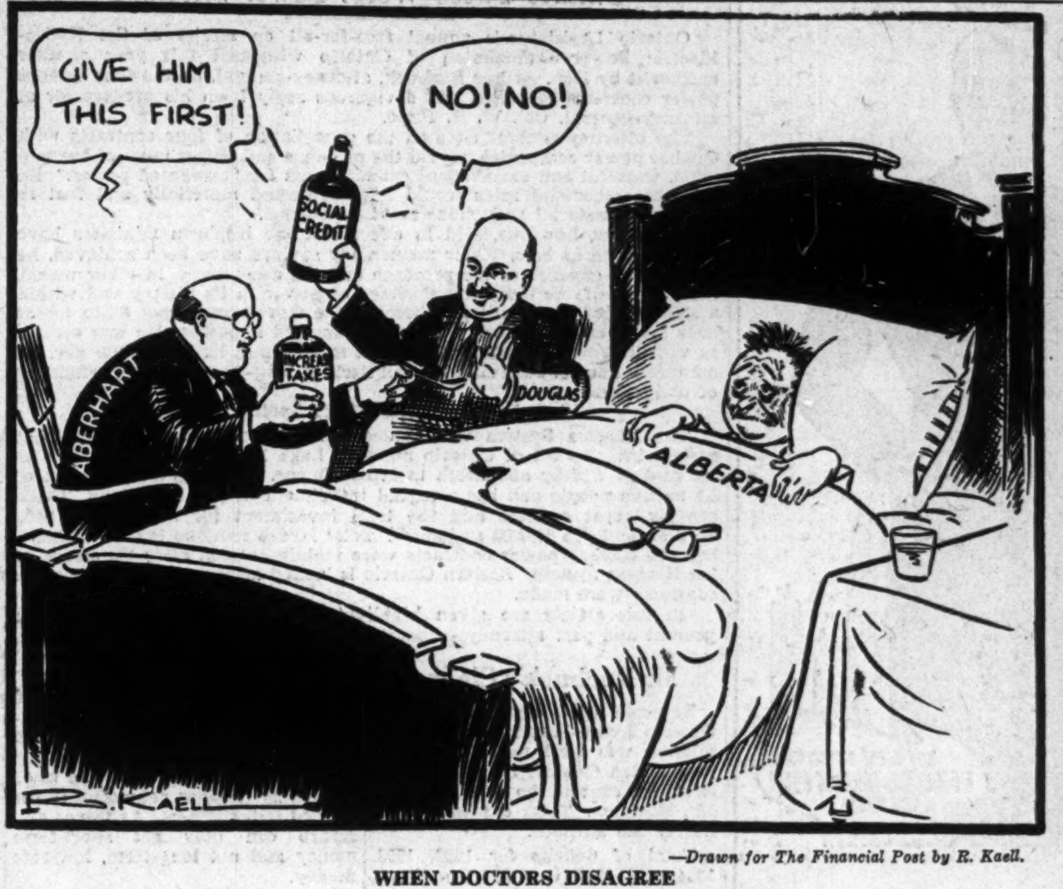
Upsets "Basic Principles"

As explained by Social Credit men at Ottawa, Premier Aberhart has abandoned the basic principles of the theory in his budget. Social Credit, they say, is a painless solution of economic ills; it offers a way of assuring general prosperity without recourse to high taxation.

Mr. Aberhart, however, has introduced a budget calling for unprecedented sacrifice on the part of taxpayers. The income tax is doubled and, in some cases, trebled. A sales tax is imposed, motor licence fees are boosted and so on. Mr. Aberhart is attempting, by time-honored methods of tax-gatherings, to balance his budget. This course of action is anathema to Social Credit; hence the charges of betrayal.

To date the attitude of Federal Social Crediters is not actively hostile but sympathetic. It is hoped that Mr. Aberhart will withdraw his budget, as suggested by Major Douglas, and recant its heresies. Alternatively, it is hoped that he will discover the morass into which he has strayed before he is sucked under; will revert to the true faith and bring happiness and prosperity to his province.

In a national political sense, it is generally believed at Ottawa that Mr. Aberhart's budget is almost certainly a death blow to Social Credit. The budget robs the new party of all claim to the possession of a painless cure for hard times.



—Drawn for The Financial Post by R. Kaell.

WHEN DOCTORS DISAGREE

Budget Likely To Be Delayed

Government Wants to Wait Until Enquiries Are Finished

IN APRIL OR MAY

From Our Own Correspondent

OTTAWA. — Political pressure is in evidence to postpone the budget until late in April and possibly May.

Members of the Liberal party and, indeed, of the government are urging the budget be delayed until present and pending investigations can be completed and suitable tariff adjustments, arising out of them, made. Strong representations in this regard are being made by ministers and members interested in the furniture industry, into which the Tariff Board has just launched an enquiry. Other and equally pressing representations are being made with respect to agricultural implements and anthracite coal. The coal enquiry, it is learned, is likely to be entrusted to a Royal Commission and not to the staff of the Combines Investigation branch.

It is learned on reliable authority that a large number of tariff adjustments will be made as a result of the U. S. agreement. The intermediate tariff will be substantially increased on such items as cut flowers, nursery stock and potatoes. Canadian magazine publishers are likely to receive some consideration of their plea for relief from burdens they bear in meeting competition of the now tax-free U. S. periodicals.

Probe Indicates Trouble Farm Implement Industry

From Our Own Correspondent

OTTAWA.—Trouble looms for the farm implement industry. Every dependable sign points to this industry being made the victim of as implacable a head hunting expedition as any commercial enterprise since the more malignant days of the Price Spreads committee.

On Parliament Hill it is conceded that the implement industry has committed a major crime. It has seen fit, in the early days of the Liberal ministry, to boost prices of implements—this at the very time the government is reducing tariffs and cheapening production costs. Western Liberals are outraged.

The Commons committee on agriculture will launch a searching investigation. The objective will be to discover inefficiency or concealed profits and, failing either of these, to unearth evidence of national or international combination.

Highlights

Mining Marches On

Reviewing position and prospects for Canada's mining camps in 1936, The Financial Post presents a special feature section devoted to gold, silver and base metal companies.
Pages 17 to 32.

G. M.'s New G. M.

H. J. Carmichael, new general manager of General Motors, brings a democratic touch to big business. He is at home in the sandlot, boardroom or factory. Page 10

The Next Five Years

Leaders in Canada's business world discuss vital aspects of economic and financial outlook for the Dominion.
Page 16

Building Laws

There are exceptions to the traditional law that a Canadian's home is his castle. Little-known facts with far-reaching effects on construction.
Page 8

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Windsor Debts Hanging Fire

Negotiations are still going on in connection with the settlement of over $40 millions of debt of the four municipalities merged into greater Windsor: East Windsor, Walkerville, Sandwich and Windsor.

It is anticipated some announcement will be forthcoming on the subject in the near future. Deep secrecy surrounds the negotiations which are being conducted by the Windsor Finance Commission with representatives of creditors.

Simpson's Tax $2.9 Millions

Equals $3.30 Per Dollar of Net Earnings in 1935

WAGES HIGHER

Simpsons, Ltd. provided $3.30 in taxes during 1935 for every dollar of net earnings before paying dividends to shareholders, stated C. L. Burton, president, in remarks to shareholders at annual meeting. Government, municipal or other public imposts also took 42 cents for each dollar of wages or salaries paid to the staff.

Taxation, states Mr. Burton, is becoming increasingly a heavy burden. Direct taxes alone took $761,453. Indirect taxes, such as customs duties, excise duties and the sales tax added to the burden and added to the hazards of doing business as these were paid and entered into the price of goods before the latter were sold. Total taxes of all kinds was estimated at $2.9 millions.

The company paid $350,000 more in salaries and wages than in 1934.

The Post Plans . . . .

Next week in The Financial Post investors in the securities of Canada's numerous trust and loan companies will be presented with a summary of the position of each of these companies. It is a useful annual supplement which has proven an increasingly valuable feature among many shrewd investors.

The following week will bring a comprehensive supplement analyzing the position and prospects of the public utilities. This popular group of investments has seen "plenty trouble" in recent years but the companies are coming through nicely, and investors are turning to them once more.

The immensely popular series of articles on "The Next Five Years in Canada" has enlisted some of Canada's brainiest men and women as contributors. It will continue for a few weeks yet.

Shortly The Post will have a striking announcement to make: a series of articles on that ever fascinating subject "Money" by an authority of world-wide renown. He will tear away the veil of complexity that enshrouds the subject and talk about money plainly for plain people.

Ontario Halts Great Lakes Paper Fight

Withdraws Opposition — Publisher Dividends Await $45 Price

STRENGTHEN MARKET

From Our Own Correspondent

MONTREAL.—The Ontario government is understood to have withdrawn its opposition to the Gefaell-Aldrich plan for reorganization of Great Lakes Paper Co. on condition that the new company, Upper Lakes Pulp & Paper Co. will not pay dividends on the new preferred stock until the price of newsprint is $45 a ton or better.

Last September the receiver of the Great Lakes property asked for bids on the property. Canadian International Paper, Dominion Bank and Continental Illinois National Bank and Trust Co., R. O. Sweezey, and John E. Gefaell and Lynn E. Aldrich (the latter representing a group of publishers along the Great Lakes) submitted offers.

Stock for Tonnage

The Gefaell-Aldrich plant was approved by the bondholders, one of the inducements offered being a guarantee of 67,000 additional tons a year for 10 years from January 1, 1936, at the current contract price.

In return for the tonnage contracts, the American publishers were to be given 100,000 class B preference shares entitled to a fixed cumulative dividend of $2 a share from Oct. 1, 1935, together with certain participating rights. The publishers' interest in these shares was to terminate with their newsprint contracts in 1945, or 5 years later if options to prolong the contracts were exercised.

See Danger in Plan

This plan was strongly opposed by representatives of the newsprint industry who saw in it a form of price rebating which would have a serious effect on the future of the industry.

Consequently several newsprint manufacturers banded together and put in an alternative offer to the bondholders. This was not accepted.

The aid of the Ontario government was solicited by representatives of the industry and the Ontario minister of lands made a public statement opposing the Gefaell-Aldrich plan on the terms outlined.

Seek Court Approval

Last December an Ontario court approved the application of the National Trust Co., trustee for the first mortgage bonds, for permission to complete the sale of the company's assets in accordance with the Gefaell-Aldrich plan.

This court order was appealed by various interests opposed to the deal and last month the sale was disallowed by the Ontario Court of Appeal. The appeal permitted renewal of the application for approval of the sale before the Supreme Court, which will be required to review the merits of the transaction before passing judgment.

Offer Reduction in Price

Meanwhile the company made contracts with the American publishers, interested in the Gefaell-Aldrich plan, calling for an automatic reduction in price to $39 a ton if the deal is not completed by April 1.

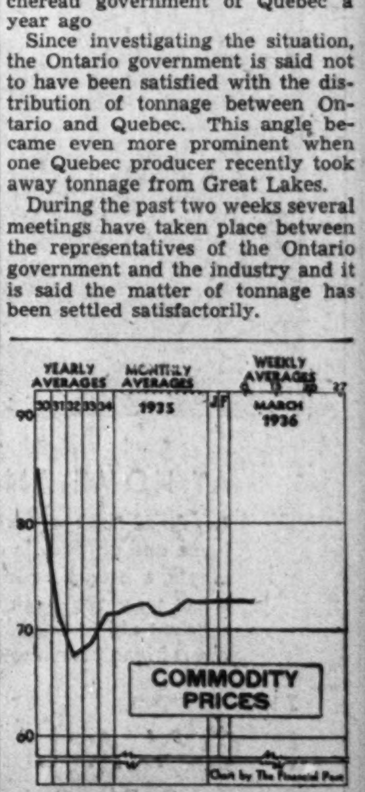
Further court delays might bring this reduction into effect and the matter has been receiving the close attention of the industry and the Ontario government. If the price reduction were allowed the industry would be faced with the prospect of a fixed price limit on newsprint for several years.

Ontario Investigates Situation

In order to avoid such a possibility the Ontario government has been investigating the situation with a view to introducing legislation which would give it control over stumpage dues and land fees, the enforcement of which would prevent the company from fulfilling its contracts. This legislation would be in line with that passed by the Taschereau government of Quebec a year ago

Since investigating the situation, the Ontario government is said not to have been satisfied with the distribution of tonnage between Ontario and Quebec. This angle became even more prominent when one Quebec producer recently took away tonnage from Great Lakes.

During the past two weeks several meetings have taken place between the representatives of the Ontario government and the industry and it is said the matter of tonnage has been settled satisfactorily.



Wholesale commodity prices were unchanged during the week ended March 6 at 72.5, according to the index compiled by the Dominion Bureau of Statistics.

New Offer for Price Bros. Is Rapidly Taking Shape

From Our Own Correspondent

MONTREAL.—Plans for a competitive bid aiming at control of Price Bros and Co. are progressing rapidly and details may be announced this week. As announced exclusively in The Financial Post opposition to the offer put forward by Pacona Ltd., on behalf of Lehman Bros. and Aluminium Ltd., will be made by a syndicate set up by Lord Beaverbrook and Bowaters Paper Mills.

In general the new offer will permit of control of the property remaining in Canada. The first mortgage bonds will be allowed to stand, with accrued interest to date paid in cash.

The creditors also will be paid in cash.

It is proposed to raise between $7 and $8 millions of new money through a second mortgage income bond, convertible into common stock, which will be offered in the first place to existing security holders. By taking up a majority of these new bonds, the present security holders will be able to retain control of the company.

The terms to be offered to the preferred and common shareholders are not definitely known, but will be substantial. The old preferred may be allowed to stand with modification of rights, while the common shareholders will be given a new security. The equity to be offered to the latter will depend upon completion of final details of the offer.

Syndicate Underwriters Issue

The proposed second mortgage bonds will be underwritten by Bowaters Paper Mills, London Daily Express (Lord Beaverbrook's paper) and a Canadian house.

It is understood that the new offer will be backed strongly by Canadian interests.

No new developments have as yet taken place in connection with the offer made by Pacona Ltd. The terms offered the bondholders have been accepted by the bondholders' protective committee with minor modifications. The trustee-in-bankruptcy has not approved the Pacona offer, nor is he likely to until after the offer is forthcoming from the English syndicate.

C. P. R. Maintains Earnings; Surplus After Fixed Charges

Drop in Rail Income Largely Offset by Special Revenue — Increase Reserve for U. S. Line Investment — No Dividends

From Our Own Correspondent

MONTREAL. — Preliminary report of the Canadian Pacific Railway Co. shows a net income after fixed charges of $6,383,080 for 1935 compared with $6,469,790 for 1934. The income account for the past year, however, shows a debit charge of $3,550,997 for steamships' depreciation reserve, bringing the surplus down to $2,832,083. In the previous year the depreciation reserve for steamships of $3,783,660 was charged against the surplus revenue account. The net result for 1935 shows an improvement of $145,953 over the previous year without allowance for the smaller depreciation reserve.

Special Income Higher

Examination of the special income account shows a sharp increase in the net revenue from investments. This represents largely the increased dividends received by the company from its holdings of stock in Consolidated Mining and Smelting Co. of Canada. Interest on deposits declined $500,000 during the year, while revenue from hotels, communications department, etc., fell off nearly $200,000. Steamship earnings, on the other hand, increased about $550,000.

Following the policy of recent years the management wrote off another $4 millions against investment in U. S. lines. In addition there was a debit charge of nearly $4.7 millions on lines abandoned and on property retired and not replaced.

No Dividends Declared

It is not the intention of the company to pay any dividends in respect of last year's earnings and along these lines, the following statement has been issued by the directors:

"While, as a result of the operations for the year, the company was able to transfer $2,832,083 from income account to profit and loss account, yet in view of the necessity for conserving its cash resources to meet the necessary expenditures, including advances to the Minneapolis, St. Paul and Sault Ste. Marie Railway Co., the directors deemed it inadvisable to declare any dividend in respect to the year 1935."

Income and Surplus Account	1935 $	1934 $
Gross operating revenue	129,678,904	125,542,954
Working expenses	107,281,380	101,158,931
Net operating revenue	22,397,524	24,384,023
Special income*	8,145,494	6,663,793
Total net revenue	30,543,018	31,047,816
Less: Steamships' depreciation	3,550,997	†
Fixed charges	24,159,938	24,578,026
Balance	2,832,083	6,469,790

†$3,783,660 deducted from Profit and Loss Surplus Account in 1934.

Details of Special Income*	1935 $	1934 $
Net revenue from investments	2,649,720	1,050,850
Interest on deposits, etc.	793,605	1,293,002
Net steamship earnings†	3,235,820	2,675,346
Hotels, communications, etc.	1,466,349	1,644,595
Total	8,145,494	6,663,793

†Before depreciation

Surplus Revenue Account	1935 $	1934 $
Brought forward	145,912,721	151,993,680
Surplus in 1935	2,832,083	6,469,791
Total	148,744,804	158,463,471
Less: Steamship depreciation	*	3,783,660
Loss on lines abandoned, etc.	4,692,085	4,767,090
Miscellaneous net debits	548,031	....
W/o U. S. lines investment	4,000,000	4,000,000
Balance carried forward	139,504,688	145,912,721

*$3,550,997 charged direct to Income and Surplus Account.

McColl Frontenac Oil Brings in Trinidad Well

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil has brought in its first oil well in its drilling operations in Trinidad, B.W.I.

While no particulars are available as yet, it is officially stated the No. 1 well has come up to expectations. Drilling is now in progress for the No. 2 well a short distance away. It is intended in these drillings to reach horizons of 5,000 feet and more.

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Our designers attended the Philadelphia Designers Convention . . . . viewed the latest styles as shown in New York's Fifth Avenue stores . . . . then designed the "Continental" style!

Overnight this model has achieved a place among Toronto's favoured styles for Spring!

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Consider your Will today. Go to your lawyer and have him draw it or revise it . . . and in it name The Royal Trust Company your Executor and Trustee.

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CANADIAN BRONZE PLANS TO REPLACE PREFERRED STOCK

Shareholders to Vote on New Issue at Lower Rate

From Our Own Correspondent

MONTREAL. — Shareholders of Canadian Bronze Co. will meet March 20 to consider a refunding plan which entails redemption of the company's outstanding seven per cent preferred stock and the issue of a new five per cent preferred stock.

At present Canadian Bronze has outstanding $720,000 of seven per cent cumulative preference stock, which it is proposed to redeem at the callable price of 110 and accrued dividends.

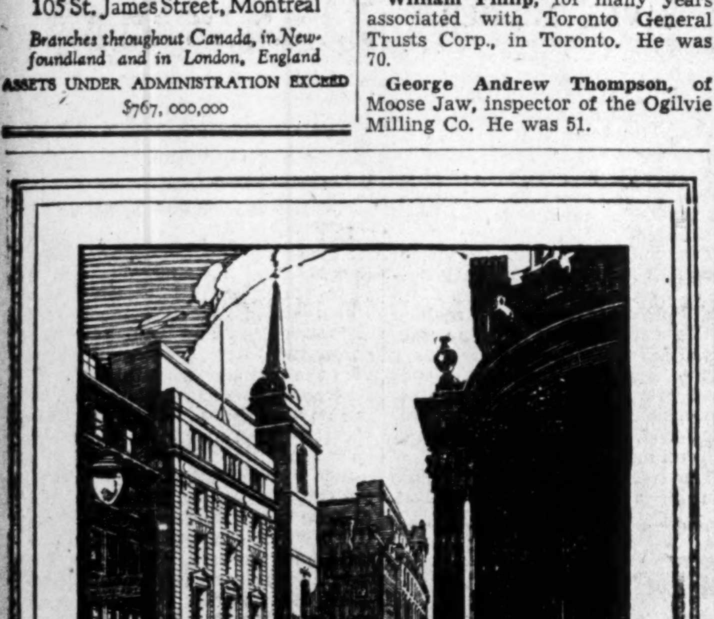
Under the proposed refunding the company will be authorized to issue 15,000 shares of five per cent cumulative redeemable preference stock of the par value of $100 each, of which 7,500 shares would be issued at this time.

Obituary

J. Homer Black, prominent in Canadian mining and finance, at his home in Toronto. He was a director of Great Lakes Paper Co., Ltd., Abitibi Power and Paper Co., Ltd.; Dominion Construction Corporation, Ltd.; Keeley Silver Mines; Vipond Consolidated Gold Mines, Ltd.; Canada Northern Power Corporation; Canadian General Electric Co., and Union Trust Co., Ltd.

William Philip, for many years associated with Toronto General Trusts Corp., in Toronto. He was 70.

George Andrew Thompson, of Moose Jaw, inspector of the Ogilvie Milling Co. He was 51.



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OF CANADA

Both Sides Heard In Political Field Day on Hydro Power Contracts

Roebuck Attacks and Price Defends Validity and Necessity of Cancelled Agreements—Latter Says Ontario Faces Worst Power Shortage

Ontario Legislature's annual free-for-all on affairs of the Hydro-Electric Power Commission of Ontario witnessed this year another onslaught by Hon. Arthur Roebuck, attorney-general, on the four Quebec power contracts cancelled and a vigorous reply from his predecessor as attorney-general, Col. W. H. Price.

The attorney-general claimed the cancellation of four contracts with Quebec power companies has rid the province and power users of burdensome, wasteful and extravagant commitments for "unwanted power." He said that otherwise rates would have increased materially and that as things are material reductions can be expected.

Col. Price, however, said in effect that the Hepburn ministers have been as blind as bats. Their momentary savings have been achieved, he says, at the expense of the province and the consumers. In other words, the province faces the worst shortage of power in its history and within a short period costs will rise because the Government saw fit to throw over arrangements which would have assured it power. He was certain as well that the Government has lost many times its immediate savings because it has not been able to avail itself of long-term low-rate refunding of obligations.

Niagara System Holds Spotlight

The Niagara System was almost the sole subject of debate. That system includes all of Ontario north of Lake Erie and Lake Ontario as far east as Whitby and north to Lake Simcoe. It serves a population of 2.1 million people and has a capital investment of $210.3 millions. There are six great systems and the total investment for all exceeds $400 millions and has 630,000 customers. Total Hydro revenue is $30.9 millions but the Quebec power contracts were mainly to look after the needs of the Niagara System. Eastern Ontario is looked after as well but separate contracts were made.

In this article are given highlights of the speeches made by the present and past attorneys-general.

Mr Roebuck's Claims

Revenue of Niagara System of Ontario Hydro-Electric Power Commission was $22.1 millions for the year ended October 31, 1935, a gain of 3.2 per cent on the 1934 total, said Mr. Roebuck. Total expenses were nearly $25 millions.

Total of deficits for 1932, 1933, 1934 and 1935 was $12.5 millions, bringing reserve for contingencies and obsolescence from $14.4 to $3.8 millions.

If Old Contracts Retained:

The bill of Gatineau, Beauharnois, Ottawa Valley and MacLaren-Quebec for 1935 power was $7.9 millions for 619,000 horsepower and would have been $9.5 millions in 1936 for 706,000 h.p.

Payments made from 1928 to October 31, 1935, to four Quebec companies reached $33.7 millions and were "actual and absolute waste." To end of contract totals would have been $382.5 millions, or $172.5 millions more than the total capital investment of Hydro in the Niagara System.

The average cost of power to users in the Niagara System increased $10 per horsepower in ten years. During the depression it advanced from $20.84 in 1930 to $31.20 in 1933, and dropped to $29.60 in 1935. But the commission absorbed an average of $4.57 a horsepower and charged the municipalities less than cost. Examples: Toronto in 1935 was charged $26.43 for power that cost $31 per horsepower, Hamilton $24.94 for power that cost $29.51, and London $26.82 for power that cost $31.39.

New Contracts:

By new contracts Hydro has 140,000 h.p. in addition to the capacity of its own plants to carry it through next winter's peak as well as 20,000 h.p. from Canadian Niagara Power Co. and 160,000 h.p. from Quebec as insurance against any demand in excess of expectations.

In February the commission paid $491,417 less than it would have paid if old contracts were still in force. After May 1 when 100,000 h.p. is no longer delivered to Thorold for steam conversion there will be a monthly difference of $581,896.

From 1936 to 1939 inclusive the total savings are estimated at $29.5 millions.

Contracts call for payments on power to be made in Toronto instead of New York. In last five years New York payment clause of old contracts caused loss of $1 million to Hydro. Gatineau also promises to raise storage capacity from 82 to 144 billion cubic feet. The clauses in old contracts permitting Quebec power companies to add to the bill for power any additional taxes levied by the Quebec Government have been eliminated.

The new contracts, he says, are legal because a Dominion Transmission company accepts power on the Quebec side, takes it across the border and delivers it to the Hydro.

Going back to Niagara for power has already saved line losses of 26,000 h.p., or $390,000 a year.

Future Sources and Policy:

Back to Niagara is the future policy of Hydro.

Commission has three generating plants at Niagara Falls.

The Toronto power plant above the falls, obtained in 1920, has an efficiency of 9.5 h.p. per cubic foot per second of water used.

The Ontario power plant below the falls and obtained in 1916 has 17 h.p. and the Queenston plant erected by the Commission at Chippewa Canal has an efficiency of nearly 30 h.p. per cubic foot per second of water used.

These figures show there is considerable opportunity for an engineering and construction programme at Niagara Falls. Considerable quantities of water may still be diverted into power channels without endangering the scenic beauty of the falls. Premier Hepburn has indicated he also has now no objection to St. Lawrence waterway negotiations being proceeded with though Ontario is not ready to take part in any power project.

Capacity of Niagara Falls plants is 810,000 h.p. though low water and drifting ice reduced it to 727,000 h.p. in 1935. Yet in 1935 the commission was able to attend to all uninterruptible power needs from its own resources at Niagara and the Ontario side of Chats Falls. There was a margin of 75,000 h.p. Interruptible horsepower was served from Gatineau.

Effect on Consumer:

The commission will in the very near future be in a position to announce reductions of an important nature in charges to municipalities. It is claimed if the old contracts had remained in force increases in rates would have been necessary.

Col. Price's Reply

If the attorney-general's "distorted story" of Hydro's financial difficulties had not been broadcast around the world, Hydro could probably have saved $3 millions instead of $1 million by cheaper refunding of the bonded indebtedness. As things are, Hydro can only get short-term money and not long-term, low-rate money.

Mr. Roebuck had said that the deficits in recent years of Hydro had been as follows: 1932, $2.5 millions; 1933, $4.2 millions; and in 1934, $2.59 millions. The annual statements for those three years showed that Hydro also provided for renewals, obsolescence and sinking fund the following amounts: $3.7 millions in 1932; $3.6 millions in 1933; and $3.8 millions in 1934.

The accumulated reserves for renewals, obsolescence, contingencies and sinking fund for the Niagara System on October 31, 1931, amounted to $48.5 millions. Three years later they stood at $55.1 millions.

If old contracts retained:

Hydro commenced operations by buying power. Then it bought generating plants at Niagara Falls. As the load continued to grow it built the Queenston plant. Load continued to grow. For 15 years the increase was an average of 11.4 per cent per annum.

The commission had either to buy or develop more power. Most economical choice was to enter into the long-term contracts which the present government has repudiated. They were intended to bridge the gap between early developments and the prospective St. Lawrence and Ottawa river developments. The contracts did not provide for 11.4 per cent increase for 40 years. They provided only for a 7.7 per cent increase annually for eight years. If the load had increased at the old rate the commission would have had to look around for new sources.

The depression had caused a decrease in load for five years. But in 1935 it was as large if not larger than in the peak year of 1929. The increase in primary power load for all of Canada was 8.3 per cent in 1935 and in the Niagara System only 6.2 per cent. That indicated a suppression of sales activity.

The old contracts had been entered into on Hydro engineers' advice.

New contracts:

The amount of power the government intends buying will be insufficient to meet 1937 demand. The new agreements cost more than those first announced by the Hepburn government and then withdrawn. In the December agreements, as announced, Hydro was prepared to take from Gatineau a 260,000 h.p. reserve at $1.75 per horsepower and 100,000 of the amount at $12.50, or a total of $1,705,000. Under the new agreements Hydro is taking 100,000 h.p. at $12.50, 33,000 h.p. as standby at $10 and 127,000 h.p. at $1.75 per h.p. as reserve, or $1,802,250.

Future sources and policy:

Ontario faces the greatest power shortage in its history today.

It has antagonized Quebec and probably will prevent for all time any further joint developments on the Ottawa River.

An agreement on the St. Lawrence River development seems farther away than ever, and when it is signed, if ever, it will take five years to build a plant.

Mr. Roebuck had given 835,154 h.p. as the firm peak demand of the Niagara System, but the annual report showed the 25-cycle December primary peak at 901,877 h.p. With contractual obligations for more in reserve, and with a 10 per cent reserve standby always regarded as necessary, the Niagara System needed 1,054,000 h.p., not including transmission losses, which are around 10 per cent. The commission actually needed 200,000 h.p. of Quebec power today for safe operation.

Effect on consumer:

If commission had charged whole cost of power to consumers through depression it would only have raised charge in all Hydro municipalities from 1.51 cents per kilowatt hour to 1.57 cents if the charges had been apportioned equally to all consumers.

The Nation's Business

(Continued from page 1)

even by the opponents of state socialism.

Whether Hydro was run by a competent staff or by the politicians, it made a bargain so outrageously improvident that it did not desire to live up to it. And the bargain bore the seal of the Province of Ontario, which stood behind every dollar of the $382 millions that was to be spent in fulfillment of the bargain.

A private company could make a similar bargain—equally improvident. If it tried to carry it out, it might go bankrupt, in which case its stockholders would lose everything and the bondholders and other creditors might lose nearly all they had put in. This most assuredly would happen unless there were a compromise all around. The price a private corporation pays for its mistakes is serious financial loss or bankruptcy. It must surrender its assets and its autonomy in settlement.

• • •

WHEN a publicly owned enterprise makes a similar bargain, there is no escape from it because the taxpayers have backed the bargain and must put up the money to make it good. If they do not, then the public credit is injured and possibly even destroyed.

It is not important if one private company or one individual goes broke trying to keep a bargain. It is vastly important if a government goes broke trying to keep a bargain or destroys its credit trying to get out of one.

For the mistakes of private ownership, society provides an escape in the form of bankruptcy. If private enterprise goes bankrupt, only those who entered into it or did business with it with their eyes open are required to pay the cost. If a publicly owned enterprise goes bankrupt, everyone pays, every home-owner, every mother, every child, every farmer and every industrial worker.

• • •

HYDRO got out of a bad bargain by the most discreditable act of public repudiation in the history of British nations. The taxpayers of Canada are paying the cost of many bad bargains now incorporated in the Canadian National Railways and they can get out of them and avoid their cost only by a similar act of repudiation of the bonds of the Canadian National Railways.

It is no answer to say that the bad bargains incorporated in the Canadian National are bad bargains made by private promoters. There was always a way to avoid those bad bargains without cost to the taxpayers and that was never to have given governmental guarantees to the promoters who were entering into those bad bargains. Even after such guarantees were given, the taxpayers' losses could have been cut had the governments said they would stick by the guarantees they had given but let the railways be put through the wringer of receivership.

Business pays for its mistakes. The taxpayers pay for the politicians' mistakes. In the Ontario Hydro case an effort is being made to reimburse the taxpayers out of the pockets of the bondholders. This is plain, ordinary theft. As attorney-general of Ontario, Mr. Roebuck ought to be putting all the members of his cabinet in jail for burglary.

• • •

Sanctions Are Hard To Enforce

DETAILS of the palpable fraud being committed by a United States exporting firm on the Italian Government (published in last week's Post) reveal in a striking way the difficulty of carrying into effect, efficiently, the obligations this country has undertaken with respect to sanctions.

In this case, a carload of scrap iron was being sold to Il Duce as nickel cathodes, priced at $22,000. The National Revenue department was powerless to do more than hold up the shipment until given satisfactory proof that it was destined for a non-Italian destination.

About all that sanctions mean is that a small group of prohibited war materials may not be shipped to an aggressor nation direct. The Government, perforce, must accept the statement of the exporter and the shipping papers as final proof on this point. In the case already mentioned, the "nickel cathodes" left Saint John, N.B., bound for Rotterdam but there is nothing to prevent transshipment to Italy; nothing to prevent a boatload of war supplies clearing for Great Britain and being diverted three miles offshore for Italy. Canadian jurisdiction ends with the three-mile limit and there is no getting behind the declared intention of the exporter. Under the circumstances, enforcement of sanctions must be extremely difficult.

• • •

Why Not Use The Senate?

THE case against the Government for not utilizing the facilities afforded by the Senate for getting along with the business of Parliament appears to be unanswerable.

The Senate adjourned last week for the second time—having no business to transact. Since Parliament opened on February 6, the Senate has held but eight sessions and now stands adjourned until March 23. Senate Hansard occupies but 56 pages of letterpress. On the other hand, the Commons has held 27 sessions and the Hansard already exceeds the length of several full length novels—some 1,300 pages. Out of all these sittings and this enormous volume of words have come only two or three piffling bills. Much time could be saved, and much money too, if the Government would put the Senate to work by introducing in the Upper House measures which might well be hammered into shape by Senators while the Commoners continued to deal with more controversial subjects.

• • •

EACH year there is a large amount of legislation of a non-partisan nature and nothing but good could result from permitting the Senate to have the first go at it. In the present session, for example, there will be a dozen bills suitable for introduction in the Senate. There is the Harbor Commission bill involving a policy already blessed by both major parties; there are the Loan Council legislation and the constitutional amendment arising out of it. With all the provinces subscribing to the policy, there is no reason to expect major controversy in the lower house. Amendments to the Criminal Code, the tinkering with run-of-mine statutes which goes on every session—all these are suitable material for Senatorial activity.

By making use of the Upper House, the Government could immeasurably facilitate the work of Parliament and avoid the last minute rushes when money votes go through by tens of millions and bills by the scads.

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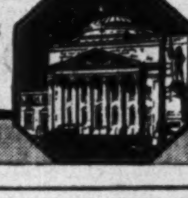
Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Montreal	Mar...	Bank of Montreal and Banque Can. Nationale	2½%	3-yr.	$6,066,000	....	3.05%
			2½%	5-yr.	3,176,000	....	3.16%
Sisters of the Holy Names of Jesus and Mary	Feb...	L. G. Beaubien & Co.	3½%	1937-50	266,000	....	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Loyala College, Montreal	Mar...	Hanson Bros. and Comptoir National De Placement	4%	1948	$410,000	100	4%
Shawinigan Water & Power	Mar...	Aldred & Co. and Syndicate	4%	1961	17,000,000	99½	4.02%
International Power & Paper of Newfoundland	Mar...	McTaggart, Hannaford, Birks & Gordon, and Syndicate	4½%	1968	1,500,000	100	4.50%
Stock Issues—							
Laguna Gold Mines	Mar...	....	....	....	882,393 shs.	60c	.....
Carnation Co.	Mar...	A. E. Ames & Co.	5%	Pref.	$2,000,000	101	4.95%



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HEAD OFFICE MONTREAL

CAN. HYDRO MAY YET PAY ITS DIVIDEND

(Continued from page 1)

on the Gatineau securities, operating expenses, depreciation and income tax. Collectively these items amounted to about $6.7 millions in 1934, which would leave a surplus of around $425,000 to meet dividend payments on the first preferred stock. Included in these expenses is an item of $163,000 for income tax. With revenue from Hydro reduced by $2.2 millions, this charge would be cut to about $100,000, so that Canadian Hydro would have just short of $490,000 for dividend payments.

Surplus of $489,980

This calculation is set out in tabular form. The gross income shown is that for 1934 with a deduction of $2.2 millions, representing the loss in Hydro revenue under new contract, while the items of expense are the same as set forth in the 1934 report:

	$
Gross inome	7,137,864
Operating expenses	1,310,850
Net revenue	5,827,014
Interest charges	4,586,804
Income tax	100,000
Depreciation	650,320
Surplus	489,980

Points to Consider

There are a number of points of importance bearing on this "pro forma" income account which have an influence on Canadian Hydro's ability to show earnings on its preferred stock.

In the official income account for 1934, the company sets aside $354,173 for amortization of discount on financing and organization expenses. This item is not a "cash outgo." It is only a bookkeeping item, though a proper one. The earnings represented by this reserve are retained by the company and can be used for any corporate purpose, including payment of dividends. Accordingly in calculating what earnings Canadian Hydro would have available to meet dividend charges, the amortization of discount was not included.

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The buildings on the estate are all large and well-built, with modern electric equipment. The main house, caretaker's house and fish hatchery are stone buildings. The farm house is a new frame house and the new spacious barn is a metal clad building on stone foundation with large silo attached.

The grounds are beautified with shade trees, shrubbery and formal flower beds. Most of the estate is fenced with a very strong, high steel fence.

The herd of cattle consists of 29 registered pedigreed Guernseys and the barn is very complete with all modern equipment and quarters for the care of such a herd, and there is an established market for the milk.

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Straw Votes Not Charting U.S. Election

Real Roosevelt Strength Unknown Though N.R.A. Dead

HAVE EYES ON CANADA

From Our Own Correspondent

WASHINGTON, D.C. — Straw votes, sample analyses of public opinion and private ballots all indicate the public is turning on the New Deal. But it cannot be assumed that these straws in the wind show which way the wind may be blowing next November, nor that they forecast the certain defeat of Roosevelt.

Many people have swung away from the New Deal who still personally back Roosevelt and who are encouraged in that by the more conservative attitude he has shown recently.

To be considered also is that a number of the straw ballots provide a better reflection of the opinion of the middle classes than of the people in the lower income brackets.

G.O.P. Nominee "Dark Horse"

Finally, the Democratic candidate is the only one that is yet known. It is still an open race for the Republican candidature and until the G. O. P. names the man who is to carry its banner it is impossible to know whether or not he will have sufficient popular appeal to ensure his election.

The Democrats have benefitted of late from errors made by the opposition forces. The recent address of Al. Smith, which was designed to drive a nail in the Roosevelt coffin, seems to have had the opposite effect, not because of what Smith said but because of the auspices under which it was said. The American Liberty League is associated in the minds of the general public with Wall Street, with the "money changers in the temple" and all the other bogeys conjured up by Roosevelt and his New Deal advisers. Endorsement of the American Liberty League is not likely to give much added strength to any candidate when he approaches the voting public.

Wait For Cleveland

The Republican high command seem determined to prevent any one of their ambitious would-be candidates from getting anywhere in the various primary elections that are to be held in the near future. The desire is to have the candidate actually selected at the national convention to be held in Cleveland in midsummer. If this indicates the nomination is to be made in secret by a small group who will meet in a private office, while the delegates are wasting their words on the convention floor, as happened in the case of Harding, it will be a play into the hands of Roosevelt.

The more conservative business elements would like to put a Republican president in White House. If the Cleveland nominee is a man likely to appeal to the public and has any chance at all to win, there will be plenty of money behind his campaign. But the real Republican effort will be concentrated upon an attempt to win a majority in the House of Representatives. Given a Republican House, it is felt there will be no difficulty in holding Roosevelt and his New Deal in check. The conservatives would rather see four years more of stalemate than four years more of New Deal dictatorship.

Roosevelt swallowed a bitter pill when he had to bring forward new tax legislation. Last summer he presented a complete tax bill which he thought would see the country through until after the election. The strategy at that time was to get the higher taxes on the books in the hope that they would be forgotten before it was necessary to go to the country. But the Supreme Court, in throwing out the processing taxes, and Congress, in passing the Bonus Bill, upset the budget plan and made new taxes unavoidable.

Leaders of both Senate and House are in agreement to pass no legislation, other than what is actually necessary, at this session of Congress. Each side is prepared to fight the election on the record already made.

Many people in the United States are closely watching events at Ottawa. They read into the news from Canada the understanding that Mr. King's government is conservative and orthodox. Much is made of the recent improvement in business and employment in Canada, and figures are cited to show that recovery in recent months in Canada has been more rapid than in United States. One of the shrewdest observers here says, "If Mr. King's conservative programme begins to show results before next November the influence on our election can be very real."

Susceptible to Emotion

In forecasting the possible results of the November election, allowance should be made for the emotional tide that sweeps United States, often unexpectedly. Repeatedly a sitting President has appeared to be well beaten in August only to be reelected by a substantial majority in November. The swing to Cleveland in 1884 took place in the last few days of the campaign, and Wilson won in 1926 because the slogan of the Domocrats, "He kept us out of war," was emphasized in the doubtful states in the very last days of the campaign.

Present surveys show the far West and the South to be strongly for Roosevelt, while the East and the Middle West are strongly against him. There are enough doubtful states to swing the whole campaign one way or another. Something that no one can at present foresee could easily happen between now and November to throw the balance strongly on the Republican or Democratic side.

With New Company

H. W. E. PEPLER

Who has resigned as president of Pepler-Neal Limited, advertising agency, to become vice-president and director of The Benison Company Limited. An office under his management has been opened in the new Imperial Bank Building, Toronto. The Benison Company Limited operates offices at Toronto, Montreal and Vancouver.

New Pulp Code To End Strikes Now in Effect

Ontario Government Ratifies Agreement for Thunder Bay Area

5,000 MEN AFFECTED

Effect of the Ontario government's order-in-council, passed last week, by which agreements affecting 5,000 pulp workers are ratified under the Industrial Standards Act, will be far-reaching, according to Ontario government sources.

The agreement, under the provisions of the much criticized act, affects men in the Port Arthur-Thunder Bay area of Ontario, and it now becomes legal and binding on employers and employees alike. Schedules of wages and hours were signed by about 90 per cent of the lakehead pulp operators. Ontario government officials regard the agreement as one of the major accomplishments of the act to date.

To Avert Strikes

Significance of the agreement lies in the fact that it is expected to avert the annual strike of timber workers which, in other years, has cost Ontario thousands of dollars in trade lost to the United States.

Buyers have avoided lake-head wood pulp producers because conditions in Thunder Bay have jeopardized shipments and prevented any real guarantee of deliveries.

Wrangling over the proposed code for the millinery industry is another matter. A new schedule of hours and wages was signed after several conferences at the Ontario Parliament buildings, and the agreement is now ready for submission to Hon. David Croll, minister of public welfare.

Strong opposition developed over the millinery code, however, and it remains for Mr. Croll to decide whether the signatures on the petition represent a "proper and sufficient" fraction of the industry within the terms of the act.

Two Provinces Involved

The millinery code is important since it is almost identical with the agreement renewed in Quebec, but the latter will not become effective unless approval is given to its Ontario counterpart. Thus the entire industry in two provinces is widely affected by the decision of the Ontario minister. Ontario and Quebec represent about 95 per cent of the millinery industry in Canada.

Wage schedules in Ontario's millinery industry before the first agreement was signed last autumn, were about 50 per cent higher than in Quebec, with the result that Ontario manufacturers are understood to have suffered from severe competition by low-cost producers.

Under the present agreement, now awaiting the minister's decision, there is a difference of only $1 per week in favor of Quebec.

Opposition to the agreement is said to have originated mainly from those firms that manufacture custom millinery and therefore have no fear of Quebec competition. This is one of the typically "fine points" involved in the agreement and its probable fate at the hands of the Ontario Minister of Welfare.

The needle trades, covered by two interprovincially negotiated agreements, have always been known as one of the storm centres of manufacturing, and if the Industrial Standards Act can establish peace in these industries, government officials believe it will do much to inspire confidence in its possibilities elsewhere.

Ontario's only other codes, apart from those affecting the building trades, are the brewing, furniture and baking agreements. The brewing industry's code is believed to be operating with marked success, and the baking agreement covers only four companies in western Ontario, although its extension throughout the province is contemplated by associations of employers.

The furniture industry is in an unusual position. Employers are understood to be generally satisfied with the agreement, but their real worry is the tariff situation created by the recent trade treaty with the U.S. and the fear of disastrous U.S. competition. Perhaps the most significant development in connection with the act as a whole, is that petitions awaiting action by the government are now largely from employers, rather than employees.

N.S. Seeks Financial Aid To Send Coal to Ontario

From Our Own Correspondent

OTTAWA.—Seeking to take advantage of a fuel price situation created by the late N.R.A., the government of Nova Scotia has interviewed the Dominion government with a view to extending by 1,500,000 tons per year the market in Ontario for Cape Breton coal.

Owing to the higher fuel costs brought about by the N.R.A. codes in the U. S., the Nova Scotia collieries have been able to dispense, to some extent, with Dominion subventions. Higher U. S. prices permitted Nova Scotia to serve the Quebec market without any subvention at all in the winter of 1934-35 and much the same is true of the current winter, although full reports are not yet at hand. The subvention has been applied to shipments billed to Ontario and the Nova Scotia government now sees an opportunity of extending westward the boundary of its Canadian market.

After $500,000 Saving

This new crusade on the part of the Nova Scotia government coincides with an attempt on the part of the Ottawa government to clip $500,000 from the annual vote for coal subsidies. This saving, of course, has been made possible by the price differential and instead of treating it as a much needed economy, the Nova Scotia government would prefer it to be spent in enlarging existing markets.

Dealing with these subventions as a whole (including the subsidy paid on the eastbound movement from Alberta) 2,260,415 tons of coal were moved in the fiscal year ended March 31, 1935, at a cost to the treasury of $2,024,428 or 90 cents per ton. In the preceding year the movement was $2,088,941 tons at a cost of $1.10 per ton. The per ton cost of moving coal in the current winter is said to be working out slightly lower than 90 cents.

With this in mind the government proposes to appropriate only $1,950,000 for next winter, instead of the $2,450,356 appropriated last session. It is believed that the price differential will continue to favor Nova Scotia and Alberta, and that the tonnage moved will not decrease.

Rejection is Likely

The proposition to forego this saving and to use the $500,000 to further expand the markets of Canadian collieries is now being considered by the government. Estimates of the cost of moving an additional 1,500,000 tons of Nova Scotia coal are being prepared and a decision will be reached in due course. It is believed probable that the request of the Nova Scotia government will be refused.

Moore Named Successor to Utility Head

From Our Own Correspondent

MONTREAL.—Irwin L. Moore, vice-president of International Hydro Electric System has been elected president to succeed Archibald R. Graustein, who has resigned from that position.

The board also accepted the resignation as directors of Ralph Lowell and Robert S. Weeks, and the three vacancies were filled by the election of William A. Hanway, John F. Rollins and E. B. Norcross.

The new president of International Hydro Electric System is 40 years of age. He was born in New Jersey and graduated from Cornell in 1917.

His further schooling was interrupted by two years of war service with the gas section of the Bureau of Standards in Washington. He then entered Massachusetts Institute of Technology to complete his training as an electrical engineer.

Started With New England

He entered the electrical industry in 1921, when he joined the operating department of the New England Power Co.

When International Paper Co. started to expand in the electric power field, Mr. Moore took the post of assistant to the president of International Paper. In the years following, he became a director of Canadian Hydro Electric, a vice-president of Gatineau Power, and in November was elected to a similar position with the International Hydro Electric System.

NFLD. WORRIED ABOUT OUTLOOK OF COD FISHERY

Traders Ask Government Guarantee Against Losses

From Our Own Correspondent

ST. JOHN'S, Nfld.—As figures become available Newfoundland becomes more and more disturbed as to the eventual outcome of its codfishing industry.

Sectional figures from the census taken last August (but which is not yet completed) show that nearly 6,000 fewer persons are engaged in the fishery than when the last census was taken in 1921. At the same time the total population of the island shows an increase of over 25,000. Requests are being made by fishery supplying merchants for government assistance in the season. Bank fishermen have been successful in securing a guarantee of $75,000 from the government against losses, and it is understood the merchant-suppliers of the east and northeast coasts will ask similar concessions.

Prices Depressed

These requests arise from losses sustained in this season's marketing, partly through exchange difficulties, and partly due to the Italian war and resultant imposition of sanctions. Newfoundland codfish is not nominally barred from Italy, but it can only be exported when paid for in advance, which condition Italian finances cannot meet. This has resulted in heavy quantities being unloaded on other markets with resultant depression of prices. Codfish remaining in the country can only be disposed of at prices which result in serious losses.

There is generally considered little probability that Italy will be a customer this year. This necessitates finding an additional market for some 150,000 to 200,000 quintals of cod, or running the risk of flooding regular markets with the same débâcle as was experienced this season.

Some efforts are being made, with government assistance, to develop a market in Cuba, where so far Newfoundland has not competed; Nova Scotia has some connections in Cuba, it is understood, and the Lunenburg fishermen will likely have to face much the same type of competition as they did in Puerto Rico.

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Don't Delay

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Enquiries invited.

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John Jenkins, *Vice-Pres.* Arthur Lyman, *Vice-Pres.*
Irving P. Rexford, *General Manager.*
393 St. James Street West - Montreal

Montreal Stock Sales Well Above 1935 Level

From Our Own Correspondent

MONTREAL.—Sales on the Montreal Stock Exchange and Montreal Curb Market totalled 5.5 million shares during February, an increase of 166,000 shares over January, and a gain of nearly 4 million shares over February last year.

Turnover of industrials last month amounted to 1,575,000 shares, compared with 356,645 shares in February last year. In mines, 3.9 million shares were traded against 1.3 million shares in the same month last year.

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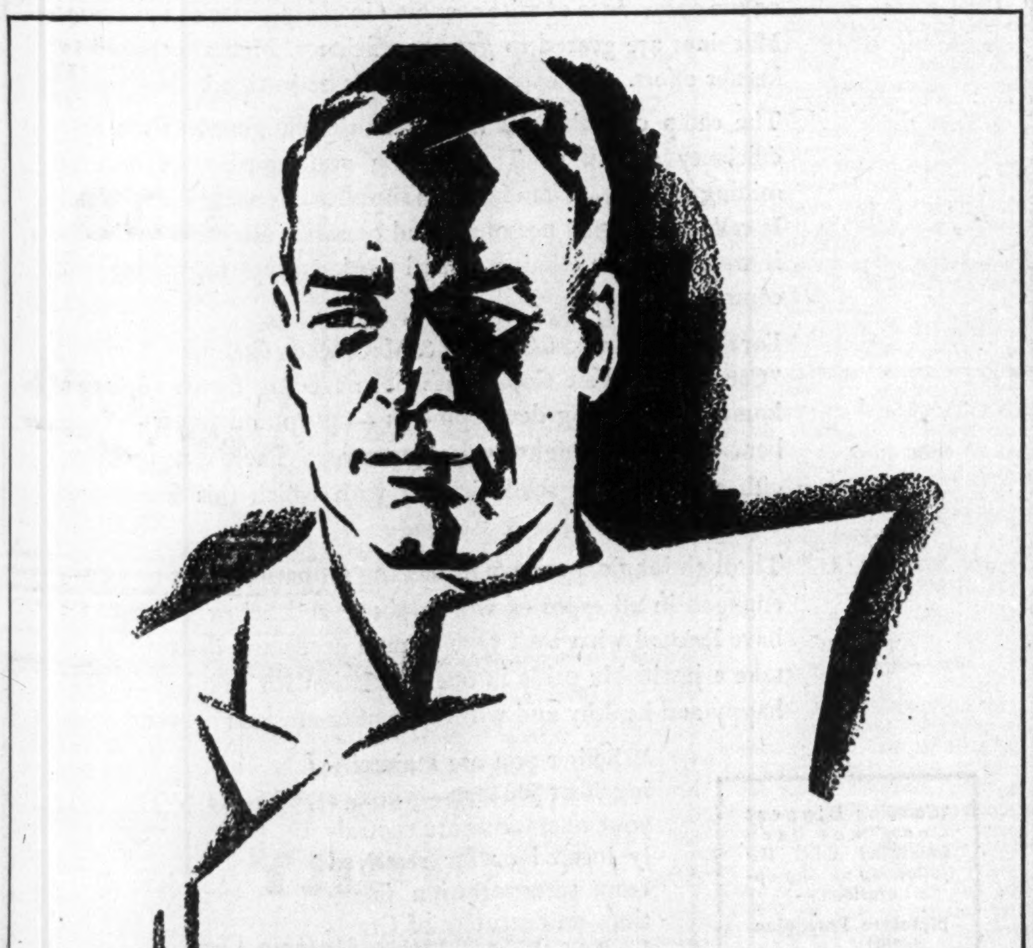

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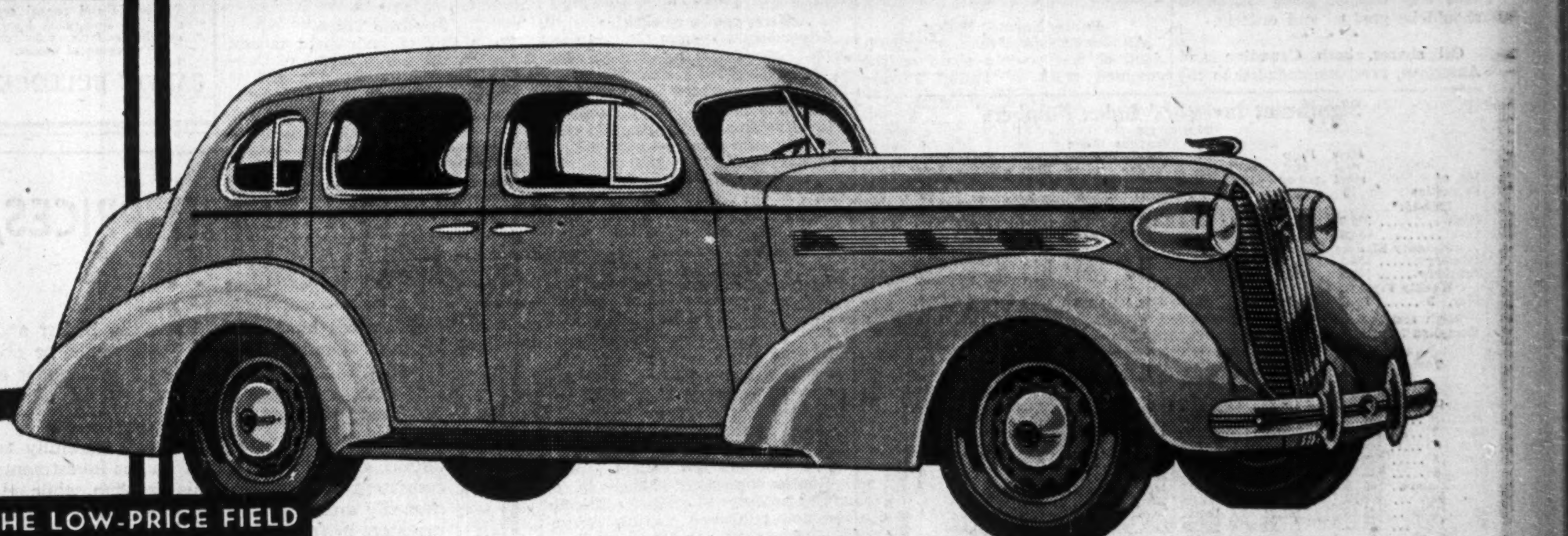

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THE EXTRA SAFETY OF TRIPLE-SEALED HYDRAULIC BRAKES—which operate from tip-toe pressure—for smooth, swerveless stops. Cast-iron drums and 100% moulded linings mean *lasting* efficiency.

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See, drive and compare the Pontiac models on display at your local dealer's show-room.

Investment Trends —

Is Rise Halting Temporarily?

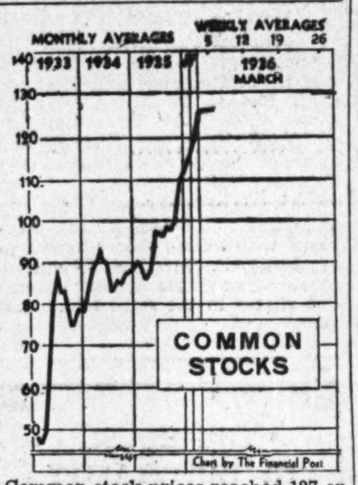
* * * *

Price Foundation Solid

More than the usual amount of nervousness in Europe has disturbed bond and stock markets. The decline of the Canadian dollar slightly below 100 cents in New York indicates diminution of buying of Canadian securities. This is regarded as only temporary.

"What Europe does," says a prominent financial man, "seems to be becoming of less importance in the North American economy." Many Canadian economists, however, hold the view that what disturbs Europe will interfere with the large export trade upon which Canadian prosperity depends.

Temporary reversal of the upward trend of stock prices may be imminent. Large funds, arising partly from inflationary, credit expansion, continue to seek profitable investment, however, and this is a cushion to absorb shocks. Investment buying will be particularly marked in paying securities.



Common stock prices reached 127 on the Dominion Bureau index in the week ended March 5. This is the highest level for several years. Comparative indices are tabulated on this page.

Price Possibilities

INVESTMENT advisers continue to watch closely for signs that a reversal of the upward trend of share prices is at hand. Students of the Dow theory of interpreting movements on the N. Y. Stock Exchange are becoming a bit dubious of present price levels. It is stated, for instance, that if the Dow-Jones average for industrial shares drops below 148.80, accompanied by a decline of the average for rail shares below 47.86, a reversal of the rise would be signalled.

Charles J. Collins, president of Investment Letters Inc., a leading exponent of the Dow theory, recently commented to the American Statistical Association:

> "It is my conclusion that conditions existent today are not characteristic of those that normally precede a prolonged advance.... It is my further conclusion that something more than a flutter on the down side is possible between now and late summer."

A reversal of the New York rise would naturally be reflected in share prices in Canada, even though the movement might be temporary.

* * *

Relative Levels

A ROUGH classification of yields on seasoned Canadian securities at present would run approximately:

	Yield
Best government bonds	3
Best corporation bonds	4
Best preferred stocks	5
Seasoned common stocks	4-5

The spread of low yields on both bonds and preferred stocks may have some distance to go yet, because there is a large mass of securities still to be refinanced at lower rates.

The eventual return on common shares should be higher than on bonds and preferred stocks because of the greater risks involved. Therefore, there is evidence to show that common share yields at present are based largely on anticipations of higher returns. This hope may be justifiable because capital goods industries have yet to enjoy the substantial recovery that will herald a complete business revival.

* * *

Miscellany

AGRICULTURAL implement firms may be the victims of a new heresy hunt at Ottawa in the form of investigation. Recalling the Price Spreads Enquiry and its adverse effects on retail merchandising firms, the farm implement probe may not be constructive for Massey-Harris, Cockshutt Plow and similar firms. Fortunately, however, there may be less mud-slinging politics in a post-election, than in a pre-election, enquiry.

* * *

Net borrowings of Toronto Stock Exchange member firms were $26.2 millions at Feb. 29, compared with $27.6 millions at Jan. 31 and $24.8 millions in December. Obviously a substantial part of the rise in share prices in Montreal, Toronto and New York has developed from cash buying so that it is altogether likely that any coming price recessions should be gradual and orderly.

* * *

Oil shares, both Canadian and American, are recommended to clients by a prominent stockbroker. Seeming success of control for U. S. oil wells has contributed to the rise of the price of petroleum. This works to the advantage of firms that produce abroad too, such as International Petroleum and possibly McColl-Frontenac. Much of the investment, however, is going into American oils.

* * *

Low yields on bonds, and the risks of individual investments in preferred and common shares, are tending already to bring convertible securities into favor. Another result of present investment conditions may be to popularize the investment trust in Canada as never before.

* * *

A little bit of weakness in the pound sterling is all that is healthy for Canadian export trade. Example: On one day last week, wheat rose at Liverpool, but actually softened at Winnipeg because the pound declined. Maintenance of the pound near $5 appears necessary to maintenance of business activity and prices here.

* * *

Amicable settlement of the Great Lakes Paper deal should be reassuring to the market for newsprint securities.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities	15	6	5	5	11	18	9	89	23	112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
Weekly Figures, 1936:										
Mar. 5	141.3	19.9	85.7	247.9	75.4	158.5	149.1	202.2	58.0	127.0

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Mar. 10	135.57	125.68	139.36
Mar. 9	135.34	125.77	139.59
Mar. 7	139.92	129.07	142.13
Mar. 6	140.46	130.31	143.05
Mar. 5	140.69	129.81	142.73
Mar. 4	140.80	130.02	141.26
Month ago	138.78	130.79	135.47
Year ago	100.23	119.76	84.03
High, 1936	143.48	135.81	144.33
Low, 1936	129.13	121.27	125.39

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Mar. 10	71.7	76.2	74.7
Mar. 9	71.4	75.3	74.0
Mar. 7	73.1	77.9	76.3
Mar. 6	73.4	77.7	76.3
Mar. 5	73.2	77.8	76.3
Mar. 4	73.3	77.6	76.2
Month ago	70.8	76.4	74.5
Year ago	58.6	56.9	57.5
High, 1936	73.4	78.4	76.6
Low, 1936	68.0	70.3	69.6

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and
Industrial Bonds

List of current offerings furnished on request

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Branches in all the principal cities of Canada

Montreal Tramway Deficit Higher During Past Year

Commission Opposed to Paying City's Annual Rent at Present or Abandoning Use of One-man Cars

From Our Own Correspondent

MONTREAL. — For the second year in succession, revenues of the Montreal Tramways Commission were insufficient to take care of charges called for under the contract entered into between the Montreal Tramways Co. and the city of Montreal. Total receipts in 1935 amounted to $12,364,531, while expenses were $13,011,823, leaving a deficit of $647,291, consisting of $147,291 due to the company and $500,000 to the city.

In recent months there has been an agitation in the City Council to force the company to pay the annual rental and also to abandon the use of one-man cars. Certain aldermen have been strongly advocating that the fixed rate of return on capital paid to the company should be reduced, so that there will be a sufficient surplus to pay the annual rental.

Last year the number of passengers carried on the Tramways system was the smallest in any year since 1918. Notwithstanding economies, the deficit during the year increased.

In answer to the agitation for the abandonment of the one-man cars, the commission in its report states that, "if we were obliged to abandon the use of one-man cars and revert to two-man cars only, the resulting operations would add an additional sum of $500,000 to the actual deficit, making a total of $1,147,000. It would be impossible to operate with such a deficit without increasing the fares and calling upon the travelling public to pay the difference.

"After considering the question from all angles, after having investigated in person the practice in other cities, after carefully weighing the objections put forward, the commission considered that it was clearly its duty to adopt proper means to prevent any increase in fares.

"Raising the fare might have serious repercussions. Conscious of its responsibilities, the commission believes that, in so doing, it has protected the interests of the public in the most profitable way."

CAN. CELANESE ON $1.60 BASIS

Directors Also Declare Interest on Rights and Pref. Participating Dividend

From Our Own Correspondent

MONTREAL.—Directors of Canadian Celanese Ltd. have declared a dividend of 40 cents a share on the common for the quarter ending March 31 next, thus placing the stock on a $1.60 annual basis.

In addition, the directors have declared the regular quarterly dividend on the preferred, together with a participating dividend of 95 cents a share in respect to the 1935 fiscal year, thus making a total payment on the preferred for that period of $7.95 a share.

Directors also set March 31 as the date for payment of interest to holders of income funding rights, of record December 31. A total of $89,000 will be distributed in interest on the rights.

The dividend on the common has been anticipated for some time, as earnings on the common stock have been of attractive proportions in the last three years. In 1933 the company earned $2.52 a share; $3.49 in 1934; and $2.84 a share in 1935 after making provision for the participating dividend on the preferred as well as the interest on the income funding rights.

The company has outstanding 250,409 shares, so that an annual dividend of $1.60 will mean a distribution of approximately $400,000.

L. G. Beaubien & Co. Opens Toronto Branch Office

L. G. Beaubien & Co., Montreal investment house, announces the opening of an office in Toronto under the management of J. Stanley Scott.

OFFER $200,000 FOR PELISSIER'S

Shareholders to Vote on Deal Approved by Directors

It is understood that an offer of $200,000 for the business of Pelissier's Ltd., Winnipeg brewery, has been approved by directors, and will be submitted to shareholders at a meeting in Winnipeg on March 17.

At Jan. 31, 1935, $338,600 of preference stock was outstanding, so that the offer would allow payment, after expenses, of about 60 cents on the dollar for the $100 preference share. There would be no return for the common stockholders at all.

The preferred shares have been bid up to $50 from about $30 on the Winnipeg Stock Exchange as a result of the developments.

Voting Powers

There is some question as to whether shareholders will approve such a deal at the special meeting. Owing to non-payment of preferred dividends, the 3,386 preference shares have the sole right to elect directors. Otherwise, however, the preference shares have only one vote each. And there are 50,000 no par value common shares, each carrying one vote. Thus, acceptance of the offer by directors still leaves final acceptance to the voting common shares.

When the preferred shares were offered in 1927, 9,000 common shares were also offered for public investment. In January, 1928, another 20,000 common shares were offered for public subscription. These 29,000 shares constitute a majority of the outstanding common stock. The remaining 21,000 common shares are understood to be held in substantial blocks, which might be voted against the proposed sale.

Investment Notes

Stop & Shop Loss

Stop & Shop Ltd. had a big loss in the year that ended Feb. 29, 1936. The deficit is likely to be larger in proportion to the company's size than that of Dominion Stores. The competitive situation in Montreal, however, is understood to have improved.

* * *

Yield on Walker's

Hiram Walker-G. & W. has notified the Toronto Stock Exchange that the recent dividend declaration of 50 cents a share is a quarterly distribution, which places the shares upon a basis of $2 per share annually. This finally establishes a yield of approximately 6.33 per cent,

* * *

Fanny Farmer Policy

Announcement of the regular dividend of 12½ cents a share on the common stock of Fanny Farmer Candy Shops Inc. caused a slump in the shares which have been at a record high level. President Frank P. O'Connor said the company would continue to follow a conservative policy in expansion and pointed out that it had avoided costly over-expansion. The shares seem highly valued on a yield basis but have longer-run attractions.

* * *

C. G. E. More Generous

Increase of the dividend rate on Canadian General Electric common shares to $5 from $3 annually indicates improvement in the company's earnings and the reduction of fixed charges by redemption of the old seven per cent preferred.

* * *

Silverwood's Securities

Silverwood's Dairies Limited preferred stock, selling around $50 a share, is getting some attention from professional investors, who see attractions in the possible returns from the recent reorganization. One $50 debenture and five new preferred shares go to each $100 preferred share. Total possible income $5 for each present $100 share.

* * *

Where Cold Helps

Consumers' Gas Co. is understood to have had good sales in the past winter due to unusually cold weather.

* * *

Bank Earnings

Falling loans and increasing investments continue to hamper recovery of bank earnings. Until this trend changes, there isn't any likelihood of improved dividends.

* * *

Buyers and Sellers

Routine reports of changes in security holdings of company officials are now published monthly by the U. S. Securities and Exchange Commission. In January, changes of interest to Canadian investors included these:

* * *

Dominion Stores—Morley Smith, retiring president, increased his holdings of common shares to 1,000 by buying 85 shares.

* * *

Borden Co.—Edward B. Lewis, vice-president, decreased his holdings of common stock to 1,288 shares by selling 500.

* * *

Canada Dry Ginger Ale—James M. Mathes, vice-president, decreased his holdings by 100 shares to 4,300.

* * *

Hiram Walker-G. & W.—Leigh M. McCarthy, director, reduced his holdings of common by 300 to 1,000 shares; sold 100 shares of preferred stock and bought $2,000 of convertible debentures.

* * *

Canada Northern Power

Further expansion in operations during 1935 is reported by Canada Northern Power Corp. Transmission lines were extended to serve the Perron Gold Mine, Siadacona Rouyn Mines, and Siscoe Extension Gold Mine. In addition a number of mining companies, which have been using power for mining and lighting purposes only, completed the construction of mills, which considerably increased the quantity of power utilized. These include Lemaque Gold Mines, Canadian Malartic Gold Mines and Arntfield Gold Mines.

During the year the company secured two new franchises, one in Ontario from the Township of Whitby in the Porcupine area and the other in Quebec from the new town of Val d'Or. Further the franchise which the company has been operating in Timmins was renewed for ten years from December 1, 1936.

* * *

Buy Into Trusts

Some shrewd investment money has been going into shares of Canadian General Investments, and of Corporate Investors Ltd., two management-type investment trusts.

HIGH BOND PRICES,
Low Yields . . .

Bond prices have climbed steadily higher and higher. Whereas 6% and 6½% could be obtained without difficulty a few years ago, it is now quite a problem to obtain even 4% on the best grade of issues.

To-day the investor has to figure carefully to obtain a maximum return on his investments consistent with safety. This problem, while admittedly a difficult one, is being met by many investors by including in their porfolio the Preferred Stocks of sound, well-managed companies.

Such investments offer a high degree of security, combined with a more attractive yield than is obtainable from bond investments at the present time.

We shall be pleased to submit a list of recommended Preferred Stocks. There is no obligation, of course.

PREFERRED STOCKS are helping investors to solve the acute problem of low bond yields.

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Montreal Quebec Saint John

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Name ....
Address ....

Looks to Managers

E. G. Wills, New Dominion Stores President, Believes Success Depends on Good Staff

E. Gordon Wills, senior partner of the Toronto Stock Exchange firm of Wills, Bickle & Robertson, has been elected president of Dominion Stores Ltd., Toronto, but doesn't intend to tell grocery men how to run the food store business.

The appointment was forecast several weeks ago by The Financial Post.

Mr. Wills represents large investments in the company. He succeeds in the presidency Morley Smith, who has held the post through a period of rehabilitation within the company, and who was re-elected to the board at the recent annual meeting.

The new president believes the chief secret of successful merchandising lies in the personality of the individual store staffs and in the character of management.

By way of example, he tells of how sales of one of the Dominion Stores had fallen off badly, and how they have made a strong comeback, due chiefly to the pleasing personality of a new manager.

To Encourage Men

In order to foster good management, Dominion Stores will endeavor to provide incentives that will encourage good men to stay with the company rather than use it as a training school from which to graduate to competing firms.

After incurring a loss of $610,000 in 1935, Dominion Stores has a lot of progress to make to get back to its once large earnings. Mr. Wills points out that the encouraging feature of the present situation is that sales are becoming progressively better. He feels also that the large expenditures on store improvements are being noticed by the buying public. The renovation of stores and enlivened advertising are expected to bring concrete improvements in results.

E. GORDON WILLS

Three Major Managers

Mr. Wills is quick to suggest that the job of bringing recovery in sales and earnings of Dominion Stores rests largely upon three major managerial men. They are:

W. Frederick Stewart, vice-president and general manager, who has been in ill health recently, but who is expected to get back on the job this year. Mr. Stewart was a bank man, his early business training being with the Standard Bank. He played ice hockey on the bank team in the Toronto Bankers' Hockey League. Mr. Stewart's merchandising experience has been gained almost entirely in Dominion Stores.

J. Colin Kemp, assistant general manager, who is in charge of operations in Montreal division. Mr. Kemp is Scottish born and has been battling for sales in an area where stiff competition from other chains and discriminatory taxation have been severe handicaps. Since there are more Dominion Stores outlets in Montreal than in Toronto, Mr. Kemp's showing will be of major importance to the company. Signs of improvement in Montreal operations are now becoming evident, it is understood. Litigation against discriminatory taxes will be carried to the highest courts.

Burdick New Man

Ivan W. Burdick, American-born general merchandising manager, of whom little has been heard in connection with Dominion Stores. Mr. Burdick was formerly with the Stop & Shop chain and joined Dominion Stores last September. His training in merchandising was with Great A. & P. Tea Stores for 13 years in New England and in the middle western United States.

Outside of changes in titles of officials, personnel of the Dominion Stores organization is little altered by recent appointments. Directors were re-elected at the annual meeting. The chief business of the meeting was abandonment of the employees' co-operative investment plan. The result will be to reduce the outstanding capital stock from 282,382 to 280,014 common shares, by deduction of $19,536 from surplus.

CANADIAN
FUND

Prospectus and annual report of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

Sound Public Utility Bonds
To Yield Over 4.02%

The Shawinigan Water and Power Company produces and distributes hydro-electric power within the Province of Quebec. Incorporated in 1898, it has had a long and successful record of operations.

Average net earnings before depreciation, for the last seven fiscal years have been 2.16 times average total fixed charges.

The Shawinigan Water and Power Company
4% First Mortgage and Collateral
Trust Sinking Fund Bonds
Due April 1st, 1961
Denominations: $1,000 and $500.
Price: 99.50 and interest, yielding over 4.02%

We shall be glad to forward a descriptive circular upon request.

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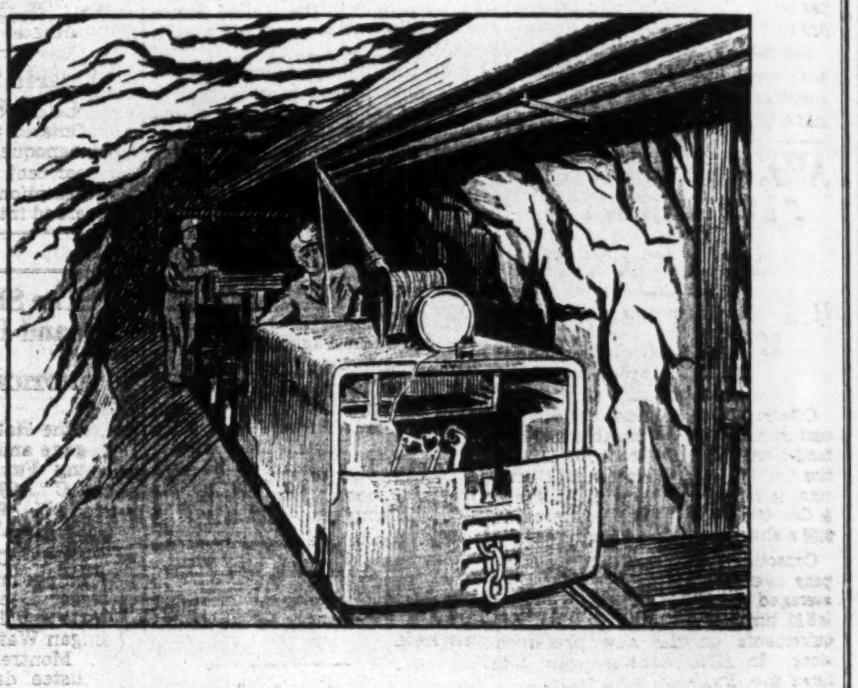
TELEPHONE: ELGIN 4321
Ottawa Hamilton Vancouver London, Ont.

Associated Breweries Paying 15c Dividend

Associated Breweries of Canada Ltd., Calgary, has declared a dividend of 15 cents a share on the common stock payable March 31, to shareholders of record March 14. This represents a reduction from the last payment which was 25 cents a share. Recent payments have not been on a regular quarterly basis.

MINES • MEN • MEALS



TODAY, Canada's mining activity is a bigger factor in national progress than ever before. New mineral areas are being prospected — new claims staked — new mines brought into production. And, the output of established mines is being increased.

And a definite part of the new trend is the emphasis being placed on the observance of wise economy in every phase of operation. Machines are geared to greater efficiency. Men are trained to keener effort. All expenditures must be justified.

The camp commissariat is well in the vanguard of the new efficiency schedule. The feeding and housing of men in mining districts—often far from supplies—is no minor problem. It calls for trained personnel and ceaseless attention to details if waste is to be eliminated and workers kept fit, willing and contented.

For the past 24 years, Crawley & McCracken Company, Limited, "Canada's Biggest Cook", has been feeding men away from home — in mining developments — pulp and paper — lumber—railway and highway developments. There is no problem, either of local or specialization with which this firm is not familiar.

Through long experience in feeding all nationalities of men—engaged in all types of work—above and below ground—we have learned what each type of man needs and desires and we take a justifiable pride in our reputation for keeping the men happy and healthy and willing—under any and all conditions.

"Canada's Biggest Cook" has been identified with the following mining operations:
McIntyre Porcupine (Gold)
Kirkland Lake (Gold)
Tough Oakes (Gold)
Argonaut Mines
International Nickel Co.
Treadwell-Yukon
Sudbury Basin
Klimar, and many others, also the Asbestos Mines at Thetford, Que.

Whether you are maintaining 50 or 500 men—whether your operations are centrally located or far removed from transportation facilities—an executive of Crawley & McCracken will gladly call to talk over with those interested, the feeding, housing and caring for men in existing camps or to co-operate in the establishment of new camps. Write, wire or telephone

CRAWLEY & McCRACKEN
COMPANY, LIMITED
SUDBURY

TORONTO NORTH BAY COCHRANE
PORT ARTHUR LONDON CHAPLEAU
MONTREAL KENORA SAULT STE. MARIE

Bond Markets

unicipals Attractive

INVESTORS and speculators in bonds both seem to be overlooking he possibilities of appreciation in ome of the better defaulted municipal bonds. The risk involved in many of these debentures is smaller than in many of the newsprint securities which have been active of late.

It is possible that the unfavorable scheme presented for Windsor is in part responsible for the low prices prevailing for defaulted municipal bonds at present. With negotiations proceeding, it is possible, however, that Windsor bondholders will receive more favorable treatment than at present indicated.

Based on past records and future prospects, the bonds of the following municipalities would appear to justify investigation by investors:

Municipality:	Bond Prices Bid	Asked
East York Twp.	53	57
Etobicoke Twp.	58	..
Leaside	49	53
Scarborough Twp.	48	52
New Toronto	56	60
Sudbury	70	75
Trenton	60	65
Walkerville	64	67
Windsor	52	55
York Twp.	56	60

* * *

Bond Redemptions

BOND redemptions of Canadian corporations continue to accumulate. Among companies which have recently announced bond redemptions are: Ontario Steel Products Co. Ltd., Ritchie & Ramsay Ltd., Shawinigan Water and Power Co., Burrard Dry Dock Co. and British American Oil Co.

In the case of Ontario Steel Products Co. Ltd. and Ritchie & Ramsay Ltd. the amount of the bonds is small, and redemption will wipe out all mortgage indebtedness.

Burrard Dry Dock Co. is redeeming its present five per cent first mortgage bonds. A refunding issue carrying a coupon rate of 2½ to 3½ per cent will be offered in the near future.

Redemption of B. A. Oil 5's of 1945 was predicted in this column a month ago. No decision has yet been made as to the actual date of redemption or when the refunding issue will be offered.

* * *

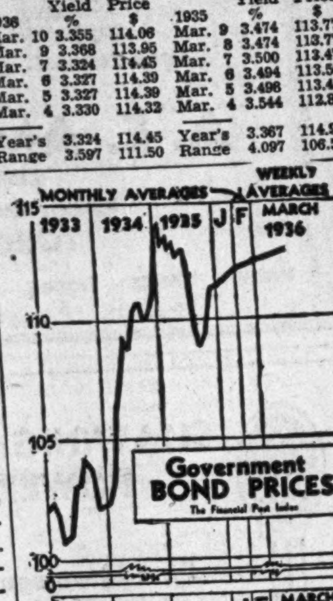
Bond Prices

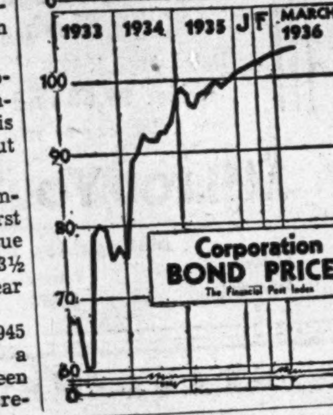
Political development brought a halt to sharply rising prices for high-grade government bonds. War clouds in Europe resulted in a drop of half a point in The Financial Post index. Losses ranged up to one point. Corporation bonds remained steady.

The trend of the high-grade bond market is indicated below:

The Financial Post Average Yield and Price For High Grade Government Bonds

1936	Yield %	Price $	1935	Yield %	Price $
Mar. 10	3.355	114.06	Mar. 9	3.474	113.77
Mar. 9	3.368	113.95	Mar. 8	3.474	113.77
Mar. 7	3.324	114.45	Mar. 7	3.500	113.47
Mar. 6	3.327	114.39	Mar. 6	3.494	113.50
Mar. 5	3.327	114.39	Mar. 5	3.498	113.42
Mar. 4	3.330	114.32	Mar. 4	3.544	112.89
Year's	3.324	114.45	Year's	3.367	114.97
Range	3.597	111.50	Range	4.097	106.57





AMES OFFERS CARNATION CO. 1ST PREFERRED

U. S. Milk Concern Makes $2 Million Issue in Canada

Offering of $2 millions of five per cent cumulative redeemable sinking fund first preferred stock of Carnation Co., U. S. evaporated milk concern, is being made by A. E. Ames & Co. The stock is being offered at $101 a share to yield 4.95 per cent.

Consolidated net profit of the company over a period of 10 years has averaged $1,129,786 annually, which is 5.81 times the annual dividend requirements on the new preferred stock. In 1935, earnings were 5.86 times the dividend requirement.

The pro forma consolidated balance sheet accompanying the offering circular shows that as at December 31, 1935, total net assets of Carnation Co. and its subsidiary companies amounted to $17,412,667, equivalent to $447 for each 5 per cent first preferred share. A provision relating to the issuance of the stock provides that the corporation will set aside an annual sinking fund beginning April 1, 1939, to be devoted to the purchase of first preferred stock.

Announcement is made that Carnation intends to make application at an early date to list the first preferred stock on the Toronto Stock Exchange.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Mt. Royal Tunnel	5%	1970	Apr. 15	100
Mtl. Pr. Cons. A.	5%	1951	Apr. 1	104
Paton Mfg.	6%	1953	May 1	103
Wabasso Cotton.	6%	1947	May 1	110
St. Maur. Vall. Cot.	6%	1952	May 1	105
Shaw. Cotton ..	6%	1949	May 1	105
Wabasso Cotton.	7%	1942	May 1	110
Ontario Steel ..	6%	1943	July 1	110
Ritchie & Ramsay	7%	1944	Apr. 1	105
St. Mary's Cement	‡6%	1942	May 1	103
Wpg. Electric ..	*5%	1953	Mar. 31	100
Burrard D. Dock	5%	....	Apr. 9	105
Shawinigan, "C"	5%	1970	Apr. 15	105

‡$31,500 for sinking fund purposes.

*As at Dec. 31, 1934, bonds outstanding amounted to $2,917,000.

Stock Issues:	Rate	Stock	Date	Price
G. Tamblyn† ..	7%	Pref.	Apr. 1	110
Cosmos. Imp. ..	7%	Pref.	Apr. 1	105
Geo. Weston ..	7%	Pref.	May 1	110

†$150,000 drawn by lot for sinking fund purposes.

Bond Tenders

8 p.m., Mar. 28, Sorel—$25,000, 4½ per cent bonds, dated Mar. 1, 1936, redeemable serially from Mar. 1, 1937 to Mar. 1, 1966. A. O. Cartier, city clerk.

Mar. 20, Brantford—$65,000, 3½ per cent, 10-year serial; $50,000, 3½ per cent, 20-year; $40,000, 3½ per cent 10-year serial; $71,501 4 per cent 10-year serial. Bonds dated Dec. 31, 1935. E. A. Danby, treas. (See announcement on page 5).

12 noon, Mar. 13, Dominion Treasury Bills—$20,000,000, dated Mar. 16, 1936, due June 15, 1936. Bank of Canada, Ottawa.

Montreal Sells Bonds To Bankers at Low Cost

From Our Own Correspondent

MONTREAL. — City of Montreal has sold two bond issues totalling $9,242,000 to the Bank of Montreal and the Banque Canadienne Nationale on a basis which will cost the city an average of 3.08 per cent.

It is understood that it is not the present intention of the banks to reoffer these bonds for sale to the public.

The issues consist of $6,066,000 of three-year bonds and $3,176,000 of five-year bonds, both carrying 2½ per cent coupons.

The bonds are payable in Canadian funds only. In the past it has been customary to make the bonds payable in Canada and New York, Canada and London, or in all three markets.

Penmans Shareholders Approve New By-law

From Our Own Correspondent

MONTREAL. — Shareholders of Penman's Ltd., at the annual meeting, passed a special by-law permitting the directors to convene the annual meeting at any time within four months of the end of the fiscal year instead of for the first Monday in March as heretofore. Directors were elected without change.

TENDERS FOR BONDS

SEALED TENDERS addressed to the undersigned at the City Hall, Brantford, Ontario, and marked "Tender for Bonds" will be received up to Five o'clock P.M., March 20th, 1936, for the purchase of the following Debentures:—

By-Law No. 2511 $65,000.00—
10 Year Serials 3½%.
By-Law No. 2512 $50,000.00—
20 Year Serials 3½%.
By-Law No. 2513 $40,000.00—
10 Year Serials 3½%.
By-Law No. 2515 $71,501.28—
10 Year Serials 4%.

All the above Debentures are dated December 31st, 1935, and will be issued in denominations to suit the purchaser.

Payment will be required in Brantford Funds on delivery of Debentures, and purchaser will pay accrued interest to date of delivery of Debentures, which must be accepted on or before May 15th, 1936. Full particulars may be obtained on application to the undersigned.

TENDERS will be opened in the City Council Chamber at a Special Meeting of the Council, at the City Hall, Brantford, on March 20th, 1936, at 7.30 P.M.

Brantford's financial position remains sound. All payments due on Debentures have always been promptly met, both as to interest and principal.

DATED AT BRANTFORD this tenth day of March, 1936.

E. A. DANBY,
City Treasurer.

CANADIAN
INVESTMENT SECURITIES
•
ENQUIRIES
INVITED
•
BELL, GOUINLOCK & CO.
LIMITED
MONTREAL 25 KING STREET WEST WINNIPEG
TORONTO, CANADA
TELEPHONE: ELGIN 2236

I. P. & P. OF NFLD. MORTGAGE BONDS OFFERED AT PAR

New Money Will be Used on Plants at Deer Lake and Corner Brook

From Our Own Correspondent

MONTREAL. — McTaggart, Hannaford, Birks and Gordon head a syndicate making a public offering at 100 and accrued interest of $1.5 millions first mortgage 4½ per cent, series of 1936, bonds of International Power and Paper Co. of Newfoundland.

Proceeds of the issue will be used by the company to cover capital expenditures in connection with the Corner Brook newsprint mill and the hydro-electric plant at Deer Lake. About $700,000 will be spent on capital account at the two plants; another $150,000 will be spent for protective works at the power plant; some $350,000 to complete repairs at the power plant due to the bursting of the penstock; while the balance will be applied toward reduction of indebtedness of affiliated companies and other corporate purposes.

Particulars of the issue follow:

$1,500,000
International Power and Paper Co. of Newfoundland
1st Mortgage, 4½% Bonds, Series of 1936

Dated Jan. 1, 1936; due Jan. 1, 1938.

Payable in Canadian and American funds as to principal and interest. Bonds are callable on terms set forth in prospectus. Sinking Fund will be set up to retire nearly $500,000 of bonds by maturity.

Company: Operates complete newsprint unit at Corner Brook, Nfld., with rated capacity of 580 tons daily. Company also owns power plant, shipping facilities and two vessels.

Timber Holdings: Over 1,700 square miles of freehold and 5,600 square miles held under Crown license; both blocks estimated to contain 13.5 million cords of pulpwood.

Earnings: Deficit after all interest charges in 1935 totalled $442,222. Low earnings in last three years due to declining newsprint prices. This declining price trend appears to have been checked by increasing demand.

Security: Secured by a first mortgage on power plant, newsprint mill and all timber lands and licenses and other real estate, as well as a floating charge.

Control: All common shares held by Canadian International Paper.

Offered By: McTaggart, Hannaford, Birks and Gordon; Royal Securities Corp.; Dominion Securities Corp.; Drury and Co.; Greenshields and Co.; Hanson Bros.; Collier, Norris and Henderson; and E. Savard Ltée.

Ontario Steel Products Calls Outstanding Bonds

Ontario Steel Products Co. Ltd., Gananoque, Ont., is calling all of its 6 per cent first mortgage bonds for redemption July 1 next, at 110 and accrued interest.

The Shawinigan Water and Power Company

NOTICE OF REDEMPTION

To the Holders of the First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "C", 5%, of THE SHAWINIGAN WATER AND POWER COMPANY.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the Trust Deed of Hypothec, Mortgage and Pledge from The Shawinigan Water and Power Company to Montreal Trust Company as Trustee dated October 31, 1927, and the Supplemental Trust Deed dated March 6, 1930, securing the above mentioned Bonds, and to the terms of the said Bonds, The Shawinigan Water and Power Company will redeem all its outstanding First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "C", 5%, on the 15th day of April, 1936, at 105% of the principal sum thereof and accrued interest on such Bonds to the said 15th day of April, 1936, upon presentation and surrender of such Bonds accompanied by the interest coupons appertaining thereto which mature on and after August 1, 1936, at the principal office of The Royal Bank of Canada in the City of Montreal, Canada, or at the holders' Option at the principal office of Bank of the Manhattan Company in the Borough of Manhattan, The City of New York, United States of America, or at the holders' option at the Bank of Scotland in London, England.

AND NOTICE IS FURTHER HEREBY GIVEN that in case the Bonds hereby called for redemption are not presented for redemption on the said 15th day of April, 1936, all interest on the said Bonds will cease to accrue from and after the said 15th day of April, 1936.

Dated at Montreal this Third day of March, 1936.

THE SHAWINIGAN WATER AND POWER COMPANY,
Jas. Wilson,
Secretary.

Since the redemption moneys on the Bonds to which the above notice relates are payable, at the option of the holders, in sterling in London, England, and having regard to the present premium on sterling in terms of Canadian currency, the Company has arranged that Bondholders may, if they so desire, obtain the benefit of the sterling premium without the necessity of sending their Bonds to London, for redemption, under the following conditions:

Bondholders may surrender their Bonds for redemption, with all unmatured interest coupons attached, to The Royal Bank of Canada, 360 St. James Street, Montreal, during banking hours **on any day between March 26 and April 4, 1936,** both inclusive, and on such surrender will receive in Canadian funds the par value plus redemption premium plus accrued interest on such Bonds to date of surrender, together with an additional sum in Canadian funds equal to the sterling premium on the aggregate of the above mentioned sums, calculated at the prevailing rate between sterling and Canadian funds at the close of business on the last business day preceding the date of surrender, as to which the certificate of said Bank shall be final and conclusive.

THE SHAWINIGAN WATER AND POWER COMPANY,
Jas. Wilson,
Secretary.

Shawinigan to Redeem "C" Bonds in Sterling

From Our Own Correspondent

MONTREAL.—Shawinigan Water and Power Co. announces that all of the series C five per cent first mortgage and collateral trust bonds, amounting to just under $15 millions, will be redeemed on April 15 next at 105 and accrued interest.

As these bonds are redeemable in sterling in London, England., the company has made an arrangement whereby the bondholders, instead of sending their bonds to London for redemption, may surrender them to the Royal Bank of Canada, Montreal, on any day between March 26 and April 4, both inclusive and on such surrender will receive in Canadian funds the par value plus redemption premium plus accrued interest on the bonds to date of surrender, together with an additional sum in Canadian funds equal to the sterling premium on the aggregate of the principal and interest.

Loyola College Bonds Offered by Syndicate

From Our Own Correspondent

MONTREAL.—Hanson Bros. and Comptoir Nationale de Placement Ltée. are making a joint offering of $410,000 of four per cent first mortgage sinking fund bonds of Loyola College, Montreal at par and accrued interest. The bonds mature in 1948 and are payable as to principal and interest in Canadian funds only, are a direct obligation of the Corporation of Loyola College and are secured by a first mortgage on the freehold properties of Loyola College and all the fixed assets of the value of $1,453,000.

THE STATEMENTS CONTAINED HEREIN ARE BASED UPON INFORMATION WHICH WE BELIEVE TO BE RELIABLE, BUT ARE IN NO EVENT TO BE CONSTRUED AS REPRESENTATIONS BY US.

The shares referred to herein are being offered in Canada, but not in the United States of America. This advertisement is not, and under no circumstances is to be construed as, an offering of any of this issue for sale in the United States of America or the territories or possessions thereof or an offering to any resident of the United States or a solicitation therein of an offer to buy any of this issue. These shares are not registered under the United States "Securities Act of 1933."

NEW ISSUE

$2,000,000
(Par Value)

CARNATION COMPANY
(Incorporated under the Laws of the State of Delaware)

5% Cumulative Redeemable Sinking Fund First Preferred Stock

Dividends, repayments of capital and premium thereon, if any, payable in United States funds.

CAPITALIZATION IN DOLLARS OF THE UNITED STATES OF AMERICA
(Upon completion of the present financing)

	Authorised	Issued and To Be Presently Issued
5% Cumulative Redeemable Sinking Fund First Preferred Stock—Shares $100 Par Value Each	$5,000,000	$3,850,200*
		Issued and Outstanding (Less in Treasury)
Common Stock—Shares without par value	800,000 shs.	609,586 shs.

*Including this issue of $2,000,000.

Under the provisions affecting capital stock, printed in the offering circular, Carnation Company shall not, without the affirmative vote or written consent of holders of at least a majority in amount of the outstanding First Preferred Stock, create or permit any subsidiary to create any mortgage upon their respective assets, or create or permit any subsidiary to create funded obligations not maturing within one year from the creation thereof, except that from time to time Carnation Company and/or one or more of its subsidiary companies may create mortgages on their respective assets or may create funded obligations maturing more than one year after the creation thereof not exceeding in the aggregate $1,000,000.00 in principal amount, and such mortgages and obligations may be guaranteed by the Corporation or by any subsidiaries; and, in addition, a mortgage or mortgages may be given or assumed by the Corporation or any one or more of its subsidiary companies on any fixed assets acquired after December 31, 1935, for amounts not exceeding 65% of the sum of the cost of such assets and subsequent improvements less a reasonable provision for depreciation and obsolescence, and any such mortgage or mortgages may be renewed, refinanced, refunded or guaranteed, all as more fully set forth in the capital stock provisions printed in the offering circular. Also, any security may be given by the Corporation and/or any of its subsidiaries in the usual course of their respective businesses and for the purposes of carrying on the same, for current loans for terms not exceeding one year from the date of the creation thereof. Albers Bros. Milling Co., a subsidiary of Carnation Company, has outstanding 3% unsecured promissory notes due serially to 1942 aggregating $800,000.00, in principal amount, which form part of the $1,000,000.00 referred to above and which are unconditionally guaranteed as to payment of principal and interest by Carnation Company.

The 5% Cumulative Redeemable Sinking Fund First Preferred Shares of this issue will be fully paid and non-assessable; preferred as to dividends and assets; carrying fixed cumulative preferential cash dividends as and when declared by the Board of Directors at the rate of 5% per annum, payable quarterly (1st January, April, July and October); redeemable on 45 days' prior notice as a whole or at the option of the Corporation in part by lot at $105 per share plus accrued dividends on or before January 1st, 1941, at $104 per share plus accrued dividends, if redeemed after January 1st, 1941 and on or before January 1st, 1946, and at $103 per share plus accrued dividends thereafter. The Corporation may from time to time in anticipation of sinking fund requirements (hereinafter referred to) purchase shares, at not exceeding the redemption price current at time of purchase, and any such shares so purchased may be applied in satisfaction of the Corporation's sinking fund requirements at the cost thereof. So long as any of the First Preferred Stock is outstanding the Corporation shall set aside out of its net profits or earnings or other moneys of the Corporation properly made applicable thereto by the Board of Directors, on or before the first day of April, 1939, and annually thereafter on or before the first day of April of each year, as a sinking fund, a sum of money to be used for the retirement of the First Preferred Stock as below mentioned, which sum shall be not less than 2½% of the greatest amount of the First Preferred Stock which shall have been issued and outstanding at any one time whether or not then outstanding, which sum shall be applied to the purchase of First Preferred Stock at a price of not to exceed the then redemption price thereof plus expenses of purchase.

To the extent that First Preferred Stock cannot be so purchased at such price, the Corporation shall not be obliged forthwith to apply the amount set aside as a sinking fund or the unexpended balance thereof to the redemption by call of stock but may carry same on its books in a special sinking fund account to be used from time to time to purchase First Preferred Stock. Should the amount in said sinking fund account at any time equal or exceed the sum of the two preceding years' sinking fund requirements, the Corporation shall call for redemption as many of its shares of First Preferred Stock as can be redeemed at the redemption price applicable thereto by the application of the balance standing to the credit of said special sinking fund account.

Transfer Agent and Registrar: The Royal Trust Company, Toronto.

E. H. Stuart, Esq., President of Carnation Company, has informed us as follows:

BUSINESS: Carnation Company was incorporated on May 21st, 1920, in the State of Delaware, as Carnation Milk Products Company. The name of the Corporation was changed to the present title on November 1st, 1929. The business of Carnation Company was originally established in 1899 by E. A. Stuart, now Chairman of the Board, and it has expanded steadily both in the volume of its operations and the variety of its products.

Carnation Company manufactures Irradiated Carnation Evaporated Milk, the world's largest single selling brand of evaporated milk, and it is sold in the United States and in many foreign countries. Directly and through subsidiaries the Corporation is engaged in the preparation and sale of the following products: (1) Evaporated milk, condensed milk, malted milk, powdered milk and other milk products; (2) Fresh milk, cream, butter, cheese and ice cream; (3) Cereals; (4) Feeds. In addition Carnation Company has a substantial investment in and advances to affiliated companies carried on its 1935 statement at $976,695.78. These companies are engaged largely in the production and sale of evaporated milk in countries other than the United States and Canada.

The Corporation and its subsidiaries own and operate evaporated milk plants, known as condenseries, at twenty-eight points and receiving stations for evaporated milk plants at twelve points in the United States and Canada. It also operates one condensery and one receiving station which are leased. District sales offices are maintained in fourteen leading cities of the United States and Canada. Mills for the production of cereals and feed or of feed only are owned and operated at four points in Pacific Coast States. The Corporation manufactures the bulk of its cans and owns and operates can factories at Oconomowoc, Wis., Maysville, Ky., Gustine, Cal., and Mt. Vernon, Wash.

The More Important Products of
Carnation Company and its Subsidiary Companies
Sold in the United States and Canada

CARNATION COMPANY—Milwaukee, Wis., Seattle, Wash.—Irradiated Carnation Evaporated Milk, Carnation Malted Milk, Carnation Powdered Skim Milk.
  FRESH MILK AND ICE CREAM DIVISION—Seattle, Wash., Waterloo, Iowa, Los Angeles, Cal., and AMERICAN CREAMERY COMPANY DIVISION—Oakland, Cal.—Pasteurized bottled milk, cream, butter, cheese and ice cream.
  CARNATION MILK FARMS DIVISION—Seattle, Wash.—Pure-bred registered Holstein cattle.
CARNATION COMPANY, LIMITED—Toronto, Ont., Aylmer, Ont.—Irradiated Carnation Evaporated Milk.
COLORADO CONDENSED MILK COMPANY—Fort Lupton, Col.—Irradiated Columbine Evaporated Milk, Irradiated Red Cross Evaporated Milk.
MOHAWK MILK PRODUCTS COMPANY, INC.—New York, N.Y.—Irradiated Gold Cross Evaporated Milk, Irradiated Gold Medal Evaporated Milk, Irradiated Blue Cross Evaporated Milk, Sweet Clover Sweetened Condensed Milk.
NORTHFIELD MILK PRODUCTS COMPANY—Northfield, Minn.—Northfield Evaporated Milk.
MOUNT VERNON MILK COMPANY—Seattle, Wash.—Mount Vernon Evaporated Milk.
THE HEBE COMPANY—Seattle, Wash.—Hebe Evaporated Milk.
THE OATMAN CONDENSED MILK COMPANY—Milwaukee, Wis.—Oatman Dundee Brand Evaporated Milk.
ALBERS BROS. MILLING CO.—Seattle, Wash., Portland, Ore., Oakland, San Francisco and Los Angeles, Cal. Carnation Flaked Wheat, Carnation Oats, Pearls of Wheat, Peacock Buckwheat Flour, Albers Flapjack Flour, Albers Instant Tapioca, Albers Pearl Barley, Albers White and Yellow Corn Meal, Albers Poultry Feeds, Albers Dairy Feeds, Calf-Manna, a calf feed, Friskies, a dog food, and Hay and Grains: also INTERSTATE TERMINALS, Portland, Ore., (a division of the company) carries on a wharfage and warehousing business.
BROADVIEW DAIRY COMPANY—Spokane, Wash.—Pasteurized bottled milk, cream, butter, cheese and ice cream.
RIVERVIEW-DAMASCUS MILK COMPANY—Portland, Ore.—Pasteurized bottled milk, cream, butter, cheese and ice cream.
LEHRACK-FERGUSON DAIRY PRODUCTS COMPANY—Wichita Falls and Vernon, Texas—Pasteurized bottled milk, cream, butter, cheese and ice cream.
QUALITY MILK PRODUCTS COMPANY—Tulsa and Muskogee, Okla.—Pasteurized bottled milk, cream, butter, cheese and ice cream.
HARRIS CREAM TOP MILK CO.—Houston, Texas—Pasteurized bottled milk, ice cream, cream, butter and cheese.

ASSETS: According to the Pro-Forma Consolidated Balance Sheet of Carnation Company and its subsidiary companies as at December 31st, 1935, as reported upon by Messrs. Price, Waterhouse & Co., adjusted to give effect to: (1) an Amendment effective January 30th, 1936, to the Certificate of Incorporation as amended approved by the stockholders at a Special Meeting adopting new provisions in respect of the outstanding Preferred Stock and reducing the authorized amount thereof to $5,000,000 par value, (2) the sale for cash of $2,000,000 par value 5% Cumulative Redeemable Sinking Fund First Preferred Stock, and (3) the inclusion of the net proceeds from the above with the cash in banks and on hand, the total net assets were as follows:

Capital Assets: Plant sites, buildings, machinery, and equipment at values (below cost) as determined by officials of the Company as at January 1st, 1933, plus additions since at cost	$17,930,546.97	
Less: Reserves for depreciation and general obsolescence	9,556,631.02	$ 8,373,915.95
Current Assets	$10,830,082.32	
Less: Current Liabilities	2,662,051.26	8,168,031.06
Other Assets	$ 2,449,343.37	
Less: 3% Notes Payable, due $100,000.00 per annum July 1st, 1937, to July 1st, 1941, and $300,000.00 on July 1st, 1942	800,000.00	
Other Reserves and Minority Stockholders' Interest in Subsidiary Company	778,623.12	870,720.25
TOTAL NET ASSETS		$17,412,667.26

Equal to $447.72 for each 5% Cumulative Redeemable Sinking Fund First Preferred Share of $100 Par Value to be presently outstanding, including this issue.

PROFITS: The Consolidated Net Profits of Carnation Company and its subsidiary companies, as reported upon by Messrs. Price, Waterhouse & Co., after deducting all charges including provision for depreciation and general obsolescence, United States and Canadian Income Taxes at rates in effect during the respective periods, and including dividends received from affiliated company, were as set forth hereunder, subject to the following explanations:

(1) The dividends received from a non-consolidated affiliated company have been credited in the years received irrespective of the year in which earned by the affiliate. The proportion of the consolidated net earnings of the affiliated company during the ten years under review applicable to Carnation Company's investment is in the aggregate more than the dividends received during the period. In the year 1935 the earnings of the affiliate affected by foreign exchange restrictions (which form a substantial portion of its earnings) have been calculated at a reasonable discount from nominal quoted rates. The portion of the dividends received from the said affiliated company during 1935, paid out of earnings of years preceding 1935, represents approximately 17.8% of the profit from operations of $1,844,715.59 of the Carnation companies consolidated for 1935.

(2) Provisions for obsolescence charge to earned surplus in the books in 1930, 1931, and 1932, aggregating $500,000.00, have been applied on the Statement of Profit and Loss as a deduction from the earnings of the years 1926 to 1931, inclusive, in equal amounts of $83,333.33 per annum. In the remaining four years of the ten-year period such provisions were as follows: Year 1932—$50,000.00; Year 1933—$25,000.00; Year 1934—$25,000.00 and Year 1935—$25,000.00.

(3) As at January 1st, 1933, the gross book value of the lands, buildings and equipment was reduced, as authorized by the Board of Directors by $2,599,725.56 through a direct charge to the Capital Surplus created as of that date by reducing the amount of capital represented by the Common Stock, with the result that the annual provisions for depreciation charged against the earnings for the period since January 1st, 1933 have been correspondingly reduced. The Board of Directors at the same time also authorized a reduction in the book value of the patents, trade-marks and goodwill to the nominal sum of $1.00, and in this connection the sum of $2,566,123.94 was charged to Capital Surplus.

(4) The results of operations of subsidiary companies acquired during the ten-year period are included only for the period since the dates of acquisition by Carnation Company.

(5) An examination of the Company's Federal income tax return filed on a consolidated basis to and including the year 1933 was recently completed by the Treasury Department, and full provision has been made in the accompanying accounts for all taxes claimed by the Government to that date. Provisions have also been made for possible additional Federal taxes for the years 1934 and 1935 on the basis asserted by the Treasury Department in its examination of the return for the year 1933.

Year ending December 31	Profit from operations before providing for depreciation and general obsolescence, after deducting all charges including provision for United States and Canadian income taxes at rates in effect during the respective periods, and including dividends received from affiliated company.	Provision for depreciation and general obsolescence	Net profit available for dividends on First Preferred Stock
1926	$2,528,594.44	$ 572,557.87	$1,956,036.57
1927	2,470,270.84	640,364.30	1,829,906.54
1928	1,937,767.05	619,830.77	1,317,936.28
1929	1,885,869.11	836,760.74	1,049,108.37
1930	2,402,490.82	1,082,860.95	1,319,629.87
1931	2,400,699.60	1,109,189.83	1,291,509.77
1932	379,639.08	1,023,917.50	644,278.42 Loss
1933	1,697,310.69	691,709.98	1,005,600.71
1934	1,724,661.52	692,455.45	1,032,206.07
1935	1,844,715.59	704,503.99	1,140,211.60

Yearly average Consolidated Net Profit on the above basis for period of ten years **$1,129,786.73**
which is at the rate of 5.81 times the annual dividend requirement on the 5% Cumulative Redeemable Sinking Fund First Preferred Stock to be presently outstanding, including this issue.

For the year ended December 31st, 1935, Consolidated Net Profit on the same basis was **1,140,211.60**
which is at the rate of 5.86 times the annual dividend requirement on the 5% Cumulative Redeemable Sinking Fund First Preferred Stock to be presently outstanding, including this issue.

PURPOSE OF ISSUE: The proceeds of this issue will be used by the Corporation for additions and for working capital purposes.

MANAGEMENT: The same management which has been responsible for the success of Carnation Company continues in active direction of its affairs.

We offer the shares of this issue, if, as and when issued by Carnation Company, and accepted and subject to the approval of all legal details by Messrs. Blake, Lash, Anglin & Cassels, Toronto, and, as to the creation and issue of the stock and the Amendment to the Certificate of Incorporation as amended of Carnation Company effective January 30th, 1936, by Messrs. White & Case, New York City.

PRICE: 101 per share, yielding 4.95%

Dividends on shares of this issue accrue from April 1st, 1936.

Certificates are expected to be ready for delivery on or about April 1st, 1936.

The right is reserved to reject any or all applications and also in any case to award a smaller amount than is applied for.

It is the intention of the Corporation to make application at an early date to list its 5% Cumulative Redeemable Sinking Fund First Preferred Shares on the Toronto Stock Exchange.

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Editor—Floyd S. Chalmers

Business Manager—D. M. Gowdy

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TORONTO, MARCH 14, 1936

Advertise . . . or Else

THERE is apparently a Social Credit sledge hammer waiting to descend with force upon the heads of business firms that do not advertise in the daily newspaper of the Social Credit group in Calgary.

Calgary merchants recently received a letter which said in part:

> "The members of the . . . . . Social Credit Group have had the pleasure of doing business with your store in the past and wish to continue to patronize you to our mutual benefit. However, you are no doubt aware that as Social Crediters we are now supporting our own daily paper, 'The Albertan.'
>
> "We notice that you do not include an advertisement of your week-end specials and bargains in your advertising in our paper. We therefore ask that you co-operate with us and arrange to have these and other special items appear in your ads. in 'The Albertan' so that we may have the privilege as heretofore of purchasing our needs from your store."

Not unsimilar was the letter received by certain Eastern firms in which they were told that they would now be expected to match their advertising in the Calgary Herald with "line for line" in the Albertan.

Such methods are cheap, unethical and seldom successful over a very short period. It all suggests that those who are back of Social Credit in Alberta are out to get what they can get while the getting is good. The ranks of monetary magic will break in the not distant future when the thousand boomerangs that have been let fly at the supposed enemies of Social Credit all return and crack open a few hundred muddled Social Credit heads.

Would Alter Wheat Grading

PROTEIN grading is suggested as the solution of Canada's wheat problem by Dr. H. C. Grant, a member of the old McFarland wheat board. In the current number of the Country Guide, Dr. Grant briefly analyzes the world's wheat industry and comes to the conclusion that the only practical way out of Canada's particular difficulty lies in paying a greater premium for the high class hard wheat of the dry Southern Prairies.

Dr. Grant agrees with The Financial Post's contention that acreage reduction seems to have no practical means of application. He also points out shrewdly that even if this could be accomplished, increased yields per acre, particularly in the more intensive areas of Europe, might easily upset the whole artificial scheme. Indeed, there is already ample evidence of this tendency.

He intimates that if the grower in the natural wheat country of Southern Saskatchewan and Alberta were paid a premium over the lower protein wheats of the north all might work out satisfactorily. The southern farmer would be able to continue to grow wheat profitably, and would not be faced with the abandonment of considerable acreage. In the more northerly districts, on the other hand, where much of the soft wheat comes from, more moisture permits production of fodder and coarse grain. There mixed farming and dairying is a practical alternative.

It is questionable, however, whether Canada would be justified in going to the great expense and general dislocation of its present highly-developed wheat marketing machinery, in ditching the present grades. Canada's world wheat reputation has been built up on these grades.

The expense and trouble of trying to find a new grade for Garnet recently, illustrates the magnitude of such a general change as suggested by Dr. Grant. It is quite possible that the recent rise of from 25 to 40 per cent in cattle prices throughout Canada and the assured market in Britain for a large volume of hogs at profitable prices, may easily achieve the desired results, without the necessity of any grading change. These better prices for livestock, plus the still precarious outlook for profitable disposal of large wheat crops, will undoubtedly turn many farmers on marginal lands away from wheat toward cattle, hogs and other products of mixed farming.

Some Facts About Japan

THE Official Annual of Japan, just issued, contains information as to wages paid in that country. The lowest in any industry are apparently those of female workers in match-making. They receive one-half yen per day, the equivalent of 14 cents in Canadian money. The highest wages noted are paid to bricklayers and roofing tile layers who receive an average of 65 cents per day.

There are just under one million people employed in the textile industry in Japan, and the average wages run all the way from 19 cents a day to 43 cents a day.

Exact comparison between Canadian wages and Japanese wages cannot be made, as many Japanese mills, particularly in the textile trade, provide inexpensive dormitory accommodation for their help. But it is quite obvious when the highest average wage paid to any class of laborer in the whole of Japan does not exceed 65 cents a day, and that wage is paid to a class of laborer who must find his own board and keep, it is difficult to find a reasonable basis for competition between workers in Japan and other countries.

Japan's export trade is growing, but so is her import trade. Japan imports more than she exports. The imports are mostly raw materials and food products.

Japan is not only a threatening figure in world exports, but she is a growing consumer of the world's products. According to the Japanese figures, that country has increased its imports from Canada from 9 million yen in 1921 to 54 million yen in 1934, while her exports to Canada have declined from 13 million yen to under 9 million yen. Today Japan's exports to Canada are less than a third of what they were at the peak, while imports from Canada have declined very slightly.

The figures given are of value. But no individual set of figures is conclusive evidence upon which to base a fiscal policy toward Japan. Too many of our fears of Japanese competition and our hope for an enlarged market in Japan are based upon a very inadequate study of all the facts.

Marketing of Tobacco

A RECENT issue of the Simcoe Reformer published a most comprehensive survey of the Ontario flue-cured tobacco industry. This traces the quick development of a crop that last year was credited with adding $8 millions of new wealth to Norfolk and adjacent counties along the north shore of Lake Erie. Before the advent of tobacco, much of the vacant land in this area was of little value, and some of the sandy districts were in semi-abandoned condition.

While the growing of the more expensive flue-cured tobacco only dates back a little over a decade, there have been plenty of ups and downs. Prices fluctuated from well over 30 cents per lb. to the grower to about half as much. Acreage quadrupled from 1927 to 1933. Volume produced, however, varied even more widely. For years, there was almost constant friction between the big tobacco companies who were practically the only buyers and the growers. Now under a selling scheme officially approved by the Dominion Marketing Board, it is intimated that the industry has outgrown this hectic phase of its development. The Reformer states:

> "One thing sure, the industry has at least become stabilized. The rugged individualism of the hectic first ten years has given way to a carefully regimented system of producing a commodity for which there is a definite but not insatiable demand, marketing it in an orderly manner, and achieving as far as possible a fixed profit every year rather than glorious feasts and dismal famines alternately."

If it is possible to satisfactorily control the production and price of any agricultural crop, then tobacco is an ideal example. Nature has restricted its production to a very limited area. Costs of production run into formidable figures. So far, too, Canada consumes a great deal more than is produced at home. Purchasing is largely confined to a few large tobacco firms who have demonstrated that they can deal satisfactorily and generously with the growers.

But even with this almost perfect set-up plenty of difficulties are foreseen. With prices stabilized at a profitable figure, there is no guarantee that farmers on the fringe of the growing area may not plunge occasionally into tobacco and upset all marketing arrangements. So far, too, there is nothing to prevent new purchasers entering the field and doing the same thing. Indeed the very marketing machinery under which the present selling operates is under a cloud and will remain so until confirmed or repudiated by the Supreme Court. In any case a two-year trial is no guarantee that the present plan of selling has been proved.

The Right Hand and the Left: Moscow's New Strategy

MAURICE HINDUS, in a Canadian address, gently jeered at those who fear world revolutionary propaganda from Moscow. More, he said, is heard in New York than in Moscow of the Third International—which is the Communist agency for international propaganda.

Possibly that is true but is it significant? The average citizen in a rural Saskatchewan municipality knows more about a big mail order catalogue than the average citizen of Toronto whence the catalogue originates. Communist international propaganda is manufactured in Moscow but not for Moscow citizens. It is exported for consumption abroad. The current ban on such propaganda looks suspiciously opportunist and may not last long.

Activities of the Communist International rise and ebb. Lenin thought of the proletarian revolution in Marxian terms, which implied nothing less than world revolution. Stalin has been too busy giving Russia a system of doing business to be able to concentrate on international activities. Most of his propaganda activities abroad have been designed more to encourage faith in the Russian experiment as a Russian experiment than as a pattern for a new world social system.

Stalin faces war. He is threatened by Germany and threatened by Japan, both socially fascist. He needs allies if he can get them and friends if he cannot get allies. He must be able to count on France, England and the United States—all democratic countries with little taste for Communism and less for revolution. He cannot brandish a proletarian torch and play at "balance of power" diplomacy at the same time, even with that most cunning of modern Metternichs, Litvinoff, to aid him.

Hence the apparent retreat from world revolution. The retreat may be more apparent than real. But it leaves the so-called "innocents' clubs" up in the air. These are the Communist pressure groups—clubs, societies, associations, etc., drawing their membership from such widely varied sources as labor gangsters and wealthy parlor pinks. They continue to fight for various Communist concepts ranging from the world revolution to mere Left wing Socialism but they find Russia seeking to remain on friendly terms with the worst enemies of revolution and the chief bulwarks against destructive radicalism.

It would not be impossible for Stalin to seek capitalist alliances while permitting his propaganda agencies, ostensibly idle, to be working busily in the dark. This would be a case of putting out the right hand of fellowship while reserving the left hand for longer term objectives. Probably that is the real explanation of the recent decision of the congress of Third International to renounce faith in revolutionary stategy.

Editorial Notes

A British manufacturer, writing to the London, England, manager of The Financial Post says:

> "We will have nothing to do with any Canadian business after the treatment received by the Grand Trunk Railway shareholders from the Canadian government."

Grand Trunk shareholders got all their shares were worth, which was nothing. Canada's mistake was in not permitting the company to go into bankruptcy to demonstrate that fact. Nevertheless, there is a lesson in the Grand Trunk episode. The lesson is that the Englishman never forgets. It is a lesson that such men as Messrs. Hepburn, Roebuck, Aberhart and McGeer have yet to learn.

* * *

Alberta has cashed $58,540 of savings certificates, upon which payment had been suspended, because of the needy circumstances of certain holders. Yet it is proposed to reduce interest on all Alberta bonds, none of the holders apparently being in need.

* * *

When the burden of debt is mentioned the thinking man will ponder the position of the holder of the debt. And when reduction of payments on debt is advocated, the ponderer will find that it simply amounts to class discrimination.

* * *

Premier Mitchell F. Hepburn, of Ontario, was a prize-winning newsboy at the age of ten and in this respect hasn't changed.

Post-Scripts

Too Much Durability?

GREAT is the Englishman's pride in his craftsmanship, in the durability of the products that he turns out by his hands or his machines. But a jolt to some of the people who build for permanence was given the other day in one of the daily editorials that Selfridge and Company publish in London newspapers. In this editorial, Selfridge's pointed out that they are still using some two-wheeled vans which they took over with another business twenty years ago. They were out of date then and they have been out of date for years. Selfridge's apparently would be willing to scrap these vans, but unfortunately they are so well built that they will not wear out. Now the great merchandising firm wishes that the extra expense of construction that went into the vans, in order to give them such long life, had been saved, and that the vans had come to a natural and economical end some twenty-five years ago.

Obsolescence is today a bigger factor in business than depreciation. Things go out of style, or they are replaced by newer and better designed articles often before they have worn out in service. Few women want a hat that will last for years, and nowadays few business concerns are interested in a machine that will still be operating when the president's grandson occupies that office.

Durability is a great quality in any merchandise where durability is a genuine asset. But durability, built in at extra expense, is sheer waste when it prolongs the life of the article beyond the time when it will be the best thing on the market.

This is not to be construed as an argument for production of shoddy or inefficient merchandise or equipment. If the test of a good piece of writing is the manner in which it uses exactly the right number of words to relate a certain set of facts, then the test of good craftsmanship in an article ought to be its ability to give good service for the exact period during which such service will be required of it. This may be 500 years in the case of a kitchen chair, and only one or two years in the case of a radio built with television hanging over its head.

Sayings of the Week

"Fighting and marriage, they don't mix."—*Primo Carnera.*

* * *

"There is no such thing as an unimaginative scientific man."—*Dean Inge.*

* * *

"The only alternative to poverty seems to be bankruptcy."—*Booth Tarkington.*

* * *

"It is not strong government we need so much as wise government."—*Glenn Frank.*

* * *

"Methods and machinery change, but principles go on."—*Franklin D. Roosevelt.*

* * *

"The state should be our servant; we should not be slaves of the state."—*Albert Einstein.*

* * *

"What is the matter with Europe that every nation should hate and fear and suspect each other?"—*Benito Mussolini.*

* * *

"It might almost be said that our chief interest as citizens is to invent new restraints for one another."—*Sir Ernest J. P. Benn.*

* * *

"To own one's own home is a physical expression of individualism, of independence, and of the freedom of spirit."—*Herbert Hoover.*

* * *

"The desire to cure a capitalist depression by another capitalist war is a good deal like the desire of the sufferer from delirium tremens to get relief by one more stiff drink." — *Norman Thomas.*

* * *

"If the Japanese navy is called upon to fight the combined power of America and Great Britain I am confident we will win, even if the ratio is 10 to 1." — *Admiral Takahashi, shortly before his assassination.*

New Books

A Statesman of Yesterday

Metternich Held the Peace in Europe As League Tries To Do Today

METTERNICH. By H. DuCoudray. Published by Jonathan Cape, 91 Wellington Street West, Toronto. Price $4.50.

Today the world boasts no one statesman with the broad international influence exerted by Metternich during the early years of the 19th century. For a generation he was the most potent force for peace on the Continent. By holding the check reins on national aspirations, by promoting the international viewpoint, by balancing the power of potential antagonists, he, more than any other individual man, brought peace to Europe after the Napoleonic wars. Today his rôle as maker of the peace is held not by a single individual but by that agglomerate institution, the League of Nations, which finds national selfishness as strong and peace-making as difficult as Metternich found it a hundred years ago.

Depressing Study

A comparison of the times of Metternich with the present is certain to be depressing, for it reveals how minor have been the advances in diplomacy and how small is the genuine urge to peace in continental countries. The problems Metternich dealt with were in essence the same problems that statesmen are dealing with in Europe today. The vanity of kings and dictators, the false front patriotism of national groups, the squabbles over minor bits of territory, the coalitions of powers, and the shortsighted bargaining between puppet heroes goes on today just as it did before and after Napoleon.

Through those years the power of Metternich was exerted for ultimate peace, and Austria tried to hold the balance between opposing nations much as Britain does today. Before Metternich died he fled from Vienna with the jeers of the multitudes ringing in his ears. In his riper old age, he was able to survey Europe and see few permanent or concrete results from his years of effort. Much the same experience is the lot of the European statesmen today who attempts to rise above national selfishness, and he too must be satisfied with the thought that were he not there perhaps things could be worse.

Understanding Liberty

English writers have dealt unpleasantly with Metternich, although his great work is now coming to better understanding. Miss DuCoudray quotes Metternich as having said at the end of his life, "There is only one country where liberty is understood, and that is England." Miss DuCoudray's volume reveals that there was greater unity of purpose between the Metternich policy and the long-term diplomatic objectives of Great Britain than has previously been recognized.

Naturally, interest in the volume centres to a considerable degree in the history of the Congress of Vienna that attempted to give peace to Europe after the Napoleonic downfall. Miss DuCoudray pays her audience the compliment of assuming that they already have a good working knowledge of the European history of that period. This is a much too all-embracing assumption, and the lack of background material will make the volume difficult reading for the average person whose knowledge of the events of the early part of the 19th century, and particularly those relevant to the Congress of Vienna, is not intimate. But the contrast between Vienna and Versailles is clearly set forth. In the negotiations with France, Metternich permitted no fruits of victory other than those that had already been won and established.

She says of the Congress of Vienna that its "severe subordination of the thought of conquest to the thought of a reasonable peace is one of the most remarkable signs of the intellectual maturity of the statesmanship that conquered Napoleon. For it was not a momentary subordination; it went right through the network of diplomatic negotiations which ended with the Peace of Paris, and posterity has rightly often turned with admiration, should have turned, were the lessons of history more valid than they are, with profit, to the treaty which left France liberal frontiers, which committed no offence against national pride, which exacted the minimum of retribution." What a contrast to Versailles!

For the students of European politics, this life of Metternich will be regarded invaluable. It is distinctly a volume for the advanced reader; there is little drama, romance or personality written into the records of events. The final story of Metternich, a man something more than an efficient diplomatic machine, remains to be written, and it is not likely to be written until the diaries of his famous "flame," the Princess Lieven, and her letters to Metternich, are made public. These are still closely safeguarded by the Lieven family.

INSURANCE RACKETEERS. By Gordon Fellowes. Published by Thomas Nelson & Sons, Toronto. Price $1.

The reader who picks up this book thinking he is going to study a textbook on the methods of those who seek to defraud insurance companies will be pleasantly disappointed. He will find himself in the midst of a series of hair-raising, real life detective stories. Mr. Fellowes was employed by various American insurance companies to investigate suspicious claims, and in this little pocket-size volume he takes the readers through some of these cases. Some were murders posed as suicide, others were suicide presented as natural deaths. There were fur robberies and vault robberies.

British-born, Mr. Fellowes came naturally by his interest in criminology, for his grandfather was a Scotland Yard detective and his father a railroad detective in the United States. He himself studied criminology after turning from the Great War where he fought in the Canadian army.

Of the several cases described, it is difficult to select the most exciting and the most interesting. How a clever woman crook got away with a $25,000 fur coat from a Chicago department store is a story of such criminal finesse as to leave the reader somewhat stunned by the originality shown. But the case of the man who robbed a whole series of burglar-proof vaults and was only brought to book when his airtight alibi was destroyed by science makes another yarn to prove that truth is stranger than fiction.

Written for the general reader, the volume will still have interest for business men and insurance men as demonstrating the necessity for the most elaborate safeguards against fraud.

LONG'S STERLING EXCHANGE TABLES. By Arthur I. Long, F.C.I. (Eng.) Published by Long, Chapman & Co., Toronto. Price $5.

These tables cover an exchange value of the pound ranging from $4.75 to $5.25, somewhat farther in either direction than actual quotations have fluctuated in the past two years. Should quotations go beyond these limits, the author states that supplements will be immediately available.

A separate section of the volume deals with fractions of 1/8 cents to the pound, and a special table gives at a glance values at the old par rate of exchange. The process of calculation to be followed in using the tables is illustrated by four examples which have been worked out by Mr. Long. For those having dealings in sterling exchange the volume is a necessity.

Other People's Views

King Edward VIII and Canada

Stephen Leacock in the Review of Reviews, New York

King Edward VIII is the first King I have ever known—I mean, in the easy and personal sense. Once as a little boy in England, sixty years ago, I saw Queen Victoria's head go by in a railway carriage. But never felt I knew her.

I met King Edward a few years ago at a big dinner in Montreal, when he was visiting the city under the incognito-title of Lord Renfrew. Coming under that name, he was able to lay aside the forms and ceremonies that must of necessity surround a King in England, and act like a Canadian. It was a huge dinner and I was just a lost unit at one of the many tables. But after dinner the host of the evening said to me, "Come and sit beside the Prince: he wants to talk to you."

A recent diplomatic incident in London has reminded British subjects that it is not the proper thing to repeat a conversation with a King. But I have no hesitation in recording mine. My friends asked me afterward, "What did the Prince say?" And I answered, "Say? He never got a chance to say anything. I felt so flattered and so superior in being asked to talk to him that I did all the talking and assured him that when he came to the throne if he ever needed advice or money, just to let me know."

I was still saying it when they dragged me away from him. It was a rash promise but it still holds good. I don't go back on it; and anyway there are thousands, millions of others in it with me.

As Others See Us

Taxation and Debt

The Country Guide, Winnipeg

The country needs to remind itself occasionally of the actual proportions of its burden of taxation and public debt. The Financial Post publishes an article summarizing the taxation and debt situation in Canada. It shows that there are 27,832 taxing bodies in this country. In 1934 they collected 700 million dollars, but at that failed by 360 million dollars of meeting their expenditures. The total expenditure for all governmental purposes was therefore well over a billion dollars. This was 27.6 per cent of the total national income for that year.

The growth of public debt in Canada since before the war is also outlined.

This piling up of debt cannot go on forever. Governments find it difficult to decrease expenditures and balance their budgets while localities or special interests keep right on bombarding them for grants and appropriations to serve local purposes and for services all along the line. The full burden of taxation is not brought home to the taxpayer because much of it is collected by indirect methods. Many municipalities have led the way during the depression in cutting down expenditures, due more than anything else to the simple fact they are supported by direct taxation. The people feel the money leaving them; they demand economy and get it. Whether taxes are direct or indirect the money comes out of the peoples' pockets just the same. The demand for balanced budgets should come from those who have to pay the tax bills.

Debt and Taxation

Halifax Herald

The financial problems of Canada, and the increasing burden of taxation, are gradually gaining the determined attention of the press and leaders of opinion.

The Montreal Star has been speaking out fearlessly, and thinks it not unpatriotic to do so.

The Toronto Financial Post, always an able and independent voice on national questions, is also doing its part in arousing public interest in the subject. It points out that: "Since 1914 government expenditures have increased fourfold. Federal, provincial and municipal governments combined are spending over one billion dollars annually. This amounts to practically 30 per cent of the national income."

Stop Me If You've Heard This One

At the bus station a woman gave a little boy a tip for carrying her bag. The boy was silent. "Now," reminded the woman, "what should a polite little boy say to a lady who has given him a penny for carrying her grip?"

"I know, ma'am," was the reply, "but I'm too polite to say it."

STOCK MARKET PRICES

The course of stock market prices in Canada, United States and Europe is shown in our March Investment Letter which also contains a brief discussion of the economic significance and results of rising prices.

A copy will be mailed gladly upon request.

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A MESSAGE to Employers

Many well-known firms throughout Canada have adopted The Mutual Life "Salary Savings Plan" and are finding that it improves the morale and creates a better spirit between employer and employee.

Most salaried employees find it difficult to carry adequate amounts of insurance where premiums must be paid once, twice, or at most, four times a year. Under the Salary Savings Plan of The Mutual Life of Canada, employees are able to budget their "insurance savings" throughout the year in small monthly amounts, which are deducted from the pay cheques and remitted to The Mutual Life by the Employer. Any standard plan of life insurance may be chosen by the employee, who pays the entire sum.

The advantage to employers where employees are providing for the years when they will have passed their periods of usefulness is obvious. The Plan helps your employees and their families to realize "the glorious privilege of being independent."

Details of the simple plan and the assistance given by The Mutual Life in putting it into operation will be furnished without obligation by any Mutual Life representative or by our Head Office.

MUTUAL LIFE OF CANADA
Established 1869
HEAD OFFICE · WATERLOO, ONT.
Toronto Star Building (Phone Elgin 8372)
Canada Permanent Building (Phone Elgin 4356)

The Mutual Life Assurance Company of Canada, Waterloo, Ont.

I am interested in your Salary Savings Plan.

Name
Street
City Prov.

Week in Business

Spring Buying Prospects Encouraging

* * * *

Japanese Plan Trading Centre at Montreal?

* * * *

Weather and Tariff Affect Motor Sales

Once we get a few days of warm sunshine it doesn't take long to forget the chill and rigor of winter no matter how deep the snow or how low the temperature may have been. And although retail trade was slow in January and slower in February the movement of goods into wholesale houses has been surprisingly brisk in most lines with the expectation that spring trade will be very encouraging throughout the country.

For one thing farm buying is generally a little better throughout the country this year than last, and the outlook for March is aided by the very severe weather of last month which not only prevented purchases but curbed sales of livestock, etc., from farms. One satisfactory factor has been the firm market for hogs although cattle prices so far this year have not been as high as looked for under the U. S. trade pact.

* * * *

On the Jap-Canada trade front the latest news is a report that the mighty Mitsui organization is negotiating to lease an important office building in Montreal which will be the trading centre in Canada for all types of Japanese agents. As previously reported, these clever salesmen of the East are lying a bit low pending the Turgeon enquiry at Sherbrooke which opens this week. But a concerted effort to make the most of this potentially great Canadian market is in the offing.

* * * *

And a word on automobiles.

Though 1936 stills looks like the best year in a long, long time, it got off to a bad start in part because of heavy weather which simply shut off deliveries and in part because of tariff uncertainties. Thus after plugging every nook and corner full of cars and parts early in the year, many plants have had to shut down entirely because dealers refused to accept further deliveries until roads were clear again.

On the tariff argument, many feel this has been overplayed as a sales deterrent and that the buying public are now beginning to absorb the argument that if any cut does occur in new car prices the reduction may be taken up by a lower valuation on the used car turn-in value. Only time will tell whether this is accurate reasoning or not.

* * * *

Looking farther afield, stock markets seem to be reflecting general uncertainty in the United States as to just what the gigantic tax proposals made last week by President Roosevelt may involve and just how the whole complex subject of taxation, government spending and war prospects, tie into the underlying pattern of inflation.

Business Indicators

Changes of the Week

Favorable

Carloadings moved ahead of the corresponding figure in 1935 for the first time this year. Exceptionally heavy movement of coal due to extreme cold weather was in part responsible, though grain shipments were also higher.

Shoe Production in Canada in January was 14 per cent ahead of January, 1935, making the best showing for that month of any January since records were first compiled.

Unfavorable

Sugar Shipments and manufactures showed further decline during the four weeks ending February 22. Domestic shipments of refined were lower by 7 per cent, while total manufactures of granulated, yellow and brown were down 25 per cent.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest— 1936	1935	—Cumulative Total— Jan. 1 to date 1936	1935
Transportation—				
Car loadings (Feb. 29)	▲45,263	44,034	366,917	383,151
C.N.R. gross earn. (Feb. 29)	$ ▲3,886,960	$ 3,275,610	$ 25,409,041	$ 24,534,119
C.P.R. gross earn. (Feb. 29)	$ ▲2,725,000	$ 2,148,000	$ 18,603,000	$ 16,922,000
Business Conditions—				
Weekly index D.B.S. (Feb. 29)	▲108.6	100.4	......	......
MONTHLY DATA	1936	1935	1936	1935
Business Conditions—				
Financial Post index (Jan.)	107.8	97.1	......	......
Transportation—				
C.P.R. net earnings (Jan.)	$ 612,572	$ 204,313	......	......
C.N.R. net revenue (Jan.)	$ ‡576,330	$ ‡746,353	......	......
Iron and Steel (Jan.)—				
Pig iron production (tons)	61,336	44,416	......	......
Steel ingots and castings prod. (tons)	100,225	59,526	......	......
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Jan.)	4,730	2,857	......	......
Factory output (Jan.)	11,370	8,269	......	......
Trucks and Buses:				
Domestic sales* (Jan.)	814	615	......	......
Factory output	2,041	2,338	......	......
Exports (Jan.)	5,082	4,586	......	......
Construction—				
Building permits (Jan.)	$ 1,283,716	$ 882,878	......	......
Contracts awarded (Feb.)	$ 8,227,700	$ 10,672,200	$ 21,838,100	$ 28,892,300
Newsprint (tons)—				
Production (Jan.)	227,955	201,959	......	......
Exports (Dec., 1935)	277,743	245,135	2,574,987	2,399,606
Sugar (lb.)				
Melting & shipments§ (raw)	▲20,434,690	20,633,450	41,489,975	37,767,119
Manufactured§	▲20,769,861	25,678,831	44,814,535	55,480,112
Flour (bbls.)				
Production (Jan.)	▲961,988	1,024,958	......	......
Wheat flour exports (Jan.)	314,311	346,099	......	......
Trade (January)—				
Retail trade (index no. of sales)	70.0	69.2	......	......
Imports	$ 40,590,276	$ 37,229,405	......	......
Exports	$ 54,417,324	$ 43,901,826	......	......
Wheat exports (bush.) (Jan.)	7,557,320	5,380,266	......	......
Employment, D.B.S. Index (Feb. 1)—				
All industries	▲98.4	94.6	......	......
Manufacturing	▲98.5	90.1	......	......
Electric Power Output (Jan.)—				
Total monthly (000's omitted)	2,091,041	2,012,742	......	......
Aver. daily	67,452,000	71,444,000	......	......
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (Jan.)	72,236	75,191	......	......
Boot & shoe prod., pr. (Jan.)	▲1,153,959	1,329,880	......	......
Crude petrol., imp., gal. (Jan.)	61,131,349	59,948,284	......	......
Cotton imports, lb. (Jan.)	19,939,607	11,068,000	......	......
Raw rubber imp., lb. (Jan.)	3,938,272	5,980,505	......	......
Coal imports, tons (Jan.)	452,678	479,026	......	......
Finance—				
Bank debits (Jan.)†	$ 2,992,068	$ 2,682,050	......	......
Bond sales (Jan.)	$ 133,657,114	$ 19,226,500	......	......
Life insurance sales (Jan.)	$ 34,221,000	$ 32,988,000	......	......
Automobile Financing—				
Used cars (Jan.)	$ 974,896	$ 513,076	......	......
New cars (Jan.)	$ 1,035,878	$ 651,272	......	......

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to Feb. 22, 1936. ‡Deficit.

A Broad Selection of Investments

The current edition of our Monthly Investment Pamphlet lists and gives information on Government, Municipal, Public Utility and Industrial securities.

The range of issues covered suggests a basis for diversified investment at acceptable yields.

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Offices throughout Canada; also in New York and London.

Japanese Matches Make Appearance

What price matches?

In Canada, usually three cents a small pocket-box or two boxes for five cents.

But Japanese matches are now on sale at retail in Toronto at a cent a box. The container is wooden, similar in size to the ordinary cardboard pocket package and contains about thirty matches.

Retailers are buying these matches, in attractive colored wooden containers, at $1 a gross, thus reaping a profit of 44 cents per gross. Retailers claim the profit is considerably larger than from the sale of Canadian-made matches.

The Japanese variety are the "safety" impregnated type. No information is available as to the Japanese cost of production but to sell over Canadian retail counters the matches must pay costs of transportation, jobbers', wholesale and retail profits, plus 3/16 of a cent Canadian excise on each box.

URGE SUBSIDY FOR PRODUCTION OF SUGAR BEETS

Proposal Comes from Interested Areas—Cabinet Doubtful

From Our Own Correspondent

OTTAWA.—Two proposals for the encouragement of the beet root sugar industry have been placed before the government. Any action to be taken will probably come with the budget. At the moment, it is learned, the cabinet is inclined, strongly, to leave matters as they are.

There are three sugar beet factories— two in western Ontario and one at Raymond, Alta. A fourth is being built near Lethbridge, Alta. and there is some talk of further development along this line in Manitoba.

Proposals

The proposals came from Liberal and Social Credit members of Parliament—the representatives in the Commons of the areas directly concerned.

In addition to a very high tariff on refined sugar there is now an excise tax on all sugar of 1 cent per lb. The Liberal members urged the government to exempt beet root sugar from this tax, thereby assuring growers a better price for their beets. The Social Crediters proposed that part of the revenue received from the excise tax be paid as a bonus on beet root production. The cost to the treasury would be around $1.3 millions and the benefit to growers would be about $2.30 per ton of beets.

Criticism

Liberals justify their proposal on the ground that it would be a reduction in taxation but it was questioned, in cabinet, if the proposal would enure to the benefit of growers. It was thought that the cane sugar producers would probably cut their price so as not to lose their present share of this market. Consumption of sugar is approximately one billion pounds per year and of the total 13 per cent is beet sugar and the balance cane.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

C. T. Pearce, president of A. McKim Ltd., advertising agency, has left on an extended trip through western Canada. He will visit branch offices of the firm and contact business interests during his visit.

The genial, if canny, Scot, David McMillan, is now a vice-president of the Tandy Advertising Agency, Toronto. He has been connected with the Tandy organization almost from its beginnings in 1927.

Pigott Construction Co. and some of the suppliers who co-operated in the fabrication of a new type of steel house recently introduced in Hamilton are planning to do some advertising in a select list of publications.

Lord & Thomas of Canada Ltd. have been appointed by the Distillers Co. of Canada to direct advertising for Gordon's Gin. This agency already handles advertising for a number of other Distillers' brands.

Empire Foods Corp., newly formed from a merger of Fine Foods of Canada and Associated Quality Canners, has appointed Walsh Advertising Co. of Windsor to direct its account.

Advertising plans of Shell Oil Co. in Canada call for an increased appropriation this year. Details of the 1936 activities were outlined by C. W. Chamberlain, advertising manager, at a sales convention in Toronto last week. P. M. Fowlie, president, and other officials were present at the meeting.

Returning after an absence of a year, W. H. Griffin has rejoined Southam Press, Toronto, Ltd. He had been associated with the firm for a number of years, leaving last year to join Rolph, Clark, Stone Ltd., also of Toronto.

A well-known name in the furniture line is soon to reappear in advertising columns after an absence of nearly four years. Gibbard Furniture Ltd., Napanee, have completed arrangements with N. W. Ayer & Son of Canada, Montreal agency, to take charge of merchandising and advertising. The firm plans a certain amount of dealer-co-operation merchandising as a first step and perhaps a limited number of campaigns of a purely local nature. How long it will be before consumer advertising is resumed on any scale depends on the outcome of present negotiations to have the tariff on furniture increased and the rate of increase in building activities. Reliable reports, unconfirmed at press time, have it that McLagan Furniture, another absentee from advertising for some time, also plans a comeback.

Background of Business

New Deal Hangs Fire

Supreme Court Decision Expected in April — Wholesale Trade Up — Ontario Auto Licenses — Cheese Trade

The Supreme Court of Canada is expected to hand down decisions as to the legality of the Bennett New Deal legislation early in April, The Financial Post learns this week from Ottawa correspondence.

These decisions will be of great interest to business men in that they embrace a wide variety of regulatory laws and statutes placed on the country's law books a year ago but which have lain virtually dormant ever since.

A further matter hinging on the decision is the revision of the B.N.A. Act which, in view of a stalemate that has been reached, has been shelved for the time being until the Supreme Court makes its pronouncement. The tie-up is that the constitutional deadlock might be broken if the New Deal statutes were to be all declared ultra vires, thus demonstrating the seriousness of the legal impasse in which Canada now finds herself.

• • •

Wholesale Trade Gains

Wholesale trade in Canada for January increased 4.2 per cent over Jan. 1935, according to returns from some 200 regular wholesale houses operating in nine different lines of business. Increases in trade in January as compared with the same month of 1935 are recorded for eight of the nine groups. Automotive increased 17.4 per cent, clothing 13.9, groceries 5.5, drug 5.3, hardware 5.3, footwear 1.3, tobacco and confectionery 1.3, fruit and vegetables 0.9. A decrease of 3.3 per cent was reported for dry goods.

Combined sales of all firms by provinces show the following percentage changes from last year: British Columbia, an increase of 18.9 per cent, Prairie Provinces 5.3, Quebec 5.1, Maritime Provinces 4.5 and Ontario a decrease of 1.8 per cent.

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Hudson Longevity

Hudson Motors of Canada, Ltd. recently completed a 27-year survey of Hudson sales in the Dominion. Statistics covering all Hudson-built cars ever sold in Canada since the appearance of the first models in 1910 show that 74.3 per cent are still in service at the beginning of 1936.

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Farm Markets

Canadian Institute of Plumbing and Heating has recently completed two important surveys of the rural markets of British Columbia and the Maritimes. The reports aim to indicate in each case the areas in which the highest average value of farm buildings coincides with an "undersold potential" of plumbing, based on the average of the whole area studied.

The Maritime report shows that although 99.5 per cent of rural homes are constructed of wood, the area has a very high percentage of rural home ownership; the average number of rooms per household is 8 compared with 4 elsewhere in Canada; and there is a high average of rooms per person.

The B.C. survey shows a very small number of rural homes compared with other provinces, yet an absorption power for modern plumbing fixtures in the past, greater than the farming communities of the three prairie provinces and New Brunswick combined.

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Rails Go Shopping

Egged on by the threat of price increases; fortified by the first net earnings since 1921, and eager to get equipment in shape after six years of "pinch-penny" buying, the U.S. railways have staged a sustained buying spree during 1936, according to Business Week.

It is reported that already 219,000 tons of rails have been booked against 495,000 tons in all of 1935, and that another 95,000 tons is pending. Two roads are said to have ordered 71 passenger cars against 63 ordered by four domestic roads in all of 1935. More than 7,400 freight cars are on order with an almost equal volume pending. Sixty-five locomotives have been booked, compared with 125 for the year 1935, while another 80, including a large foreign order are under consideration.

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Personal Licenses Doomed

Ontario will discontinue the system of lettering its automobile license number for 1937, The Financial Post learns.

The reason is simply that the province has been deluged with requests from all parts of the country for "special numbers."

For instance, for years the motor cars of F. K. Morrow have borne the designation "FK-1," FK-2," etc. Other people request each year their telephone number, the number of their house, or some other combination which can be easily remembered or is particularly distinctive.

Originally, only a few people took advantage of this system. Now literally thousands write in from all parts of the province. But it will be no more in 1937.

• • •

Swiss Fair

Twentieth anniversary of the Swiss Industries Fair will be held at Basle from April 18 to April 28 this year. Starting boldly in the throes of the world war, this fair has grown in importance until it now comprises a main building and seven small ones with a total area of 30,000 sq. metres. Last year attendance included 107,000 buyers and 35,000 visitors.

New features planned for 1936 are a Swiss watch-making fair, a machine tool fair, a building fair and a fashion salon. Visitors obtain reductions of 50 per cent on Swiss railways, and about 25-30 per cent on the railways of 17 European countries, as well as important reductions on most international air services and shipping lines.

• • •

Wool Goes to U. S.

While there was no concession on Canadian wool in the recent U. S. trade agreement, nevertheless very large quantities of this commodity have been exported across the line this winter. January shipments alone, are reported at 700,000 pounds as compared with a mere 35,000 pounds for the same month a year ago. Considerable exports are understood to have taken place in February also but as there is now little surplus wool left in this country the trade is expected to die down until the new clip starts coming in next June.

Exports have been largely confined to the wool of medium staple, production of which is not confined to any particular area. The price for this type in United States recently rose well above the substantial duty and permitted more profitable export to United States than Great Britain.

From time to time in the last five years, Canadian exporters have found conditions favorable for shipments to United States and with world markets firm, it is expected that this may continue indefinitely. Germany, with clothing to buy for its new conscript army, has been a bull factor in the wool market for the last 12 months. Previous to this Italy and Japan were important purchasers.

• • •

Cheese Exports

Substantial exports of Canadian cheese to United States in January, the first month of the two-cents-per-pound reduction in duty under new trade agreement, are not expected to be repeated until early summer. Practically all of Canada's commercial Cheddar cheese is produced in small country factories which operate only from late spring until early fall.

With about $100,000 worth of such cheese exported southward during January it is not believed that any great surplus remains. There is, of course, a considerable block in storage in Montreal and other eastern points, but the bulk of this, is earmarked for shipment to Great Britain. However, when 1936 production commences in earnest next May and June, and provided the American price is sufficient to offset the 5 cents duty, then some surplus may again go southward.

Early erroneous reports that January exports were largely of the processed and not the Cheddar type were probably based on the fact that in the agreement it is stipulated that the new duty apply to "original Cheddar loaves." The word "loaf" is ordinarily applied to a certain type of processed cheese, but not usually to the cylindrical-shaped 10-, 35- and 70-pound (approximate weights) blocks of Cheddar as manufactured in the average country factory. However, it is understood that exports have all been of regular Cheddar, there being no concession on the processed type.

New Plants in Toronto

The establishment of 18 new industrial developments of outside origin in Toronto in 1935 is announced in the report of the Toronto Industrial Commission.

New Industries

H. A. Lippert Furniture Co., Kitchener, Ont., has taken over the old Lippert Furniture Co, closed for some years, and started production.

Georgette-MacDonald, Ltd., Montreal, shoe pattern manufacturing firm, has established a branch in Galt, Ont.

H. J. Heinz Co., Leamington, Ont., is building an extensive addition to the factory. Additional kitchens, storage, water supply and power facilities will be among the new buildings (Windsor Star).

Murray & Gregory, Ltd., Saint John, N.B., is taking over the manufacture of Aladdin Homes in Saint John and shipments will be made from there throughout the Maritime Provinces. The material for these homes is cut to fit at the mill, thus simplifying the erection work which can be done by the owner or by any local carpenter. (St. John Telegraph Journal)

Commodity Prices

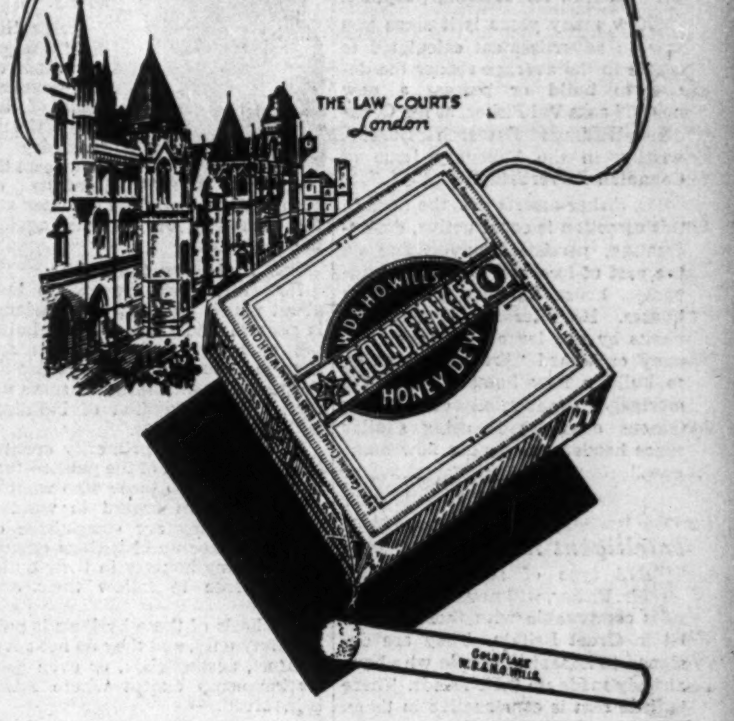
	Latest week	Previous week	Same week last yr.
Cattle	$6.75	$6.50	$7.50
Hogs	9.10	9.25	8.75
Copper, lb.	.09¼	.09¼	.09
Cotton, lb.	.1132	.1130	.1230
Rubber, lb.	.1588	.1556	.1187
Sugar, raw, lb.	.0355	.0345	.03
Silk, lb.	1.70	1.66	1.38
Wheat (Man.) bus.	.82¼	.81⅝	.81½
Coffee, lb.	.06¾	.06¾	.07⅝
Weekly Indices			
N. Y. Annalist	125.0	124.7	125.0
Fishers'	82.8	83.3	81.8
N. Y. Journal of Comm.	79.4	79.3	79.6
Crumps (Brit.)	68.2	68.2	63.9
U. S. Labor	80.8	80.6	79.6
Canada (D.B.S.)	72.5	72.6	72.3

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (Jan.)	80.8	80.8	78.8
W'sale (Jan.)	72.9	72.6	71.4
U. S. Labor (Dec.)	84.6	84.8	80.7
Gt. Brit. (Dec.)	77.3	77.2	71.1

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: Sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.


The smoke of the British Empire
W.D. & H.O. WILLS'
GOLD FLAKE
Cigarettes
CORK TIP OR PLAIN
THE LAW COURTS London
A SHILLING IN LONDON .. A QUARTER HERE

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THE KENTERNE TRUST LIMITED
London, Eng.
MANNING & CO. LIMITED
Barbados, B.W.I.
AGOSTINI BROS.
Trinidad, B.W.I.
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DRINK IT
VACUUM PACKED
GOLD MEDAL
COFFEE
—And NATIONAL GROCERS ought to know!

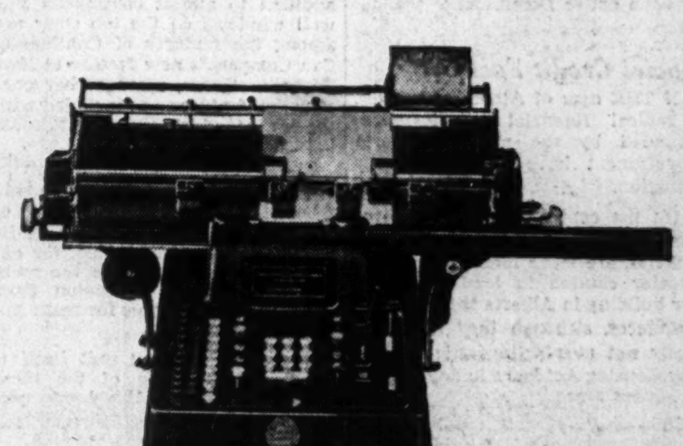
"SERVICING MORE THAN 15,000 ONTARIO RETAILERS, OUR ACCOUNTING MUST COMBINE ACCURACY WITH SPEED"

... NATIONAL GROCERS CO. LIMITED

IT TOOK the Underwood Sundstrand to solve an important part of National Grocer's accounting problem.

The extreme simplicity of the Sundstrand keyboard permits quick and easy operation by the touch method. From the moment the operator inserts the forms, every step is simple and COMPLETELY AUTOMATIC!

The new Underwood Sundstrand is an "all purpose" figuring machine—for adding, subtracting, multiplying, posting ledgers, writing customers' statements, preparing employees' earning records, payroll, stock records and costing problems.

A demonstration involves no obligation — 'phone Underwood. Underwood Elliott Fisher Limited, Toronto. Branches in all Canadian cities. J. J. Seitz, Pres., J. L. Seitz, Vice-president.

Speeds up figuring work 15% to 25%

UNDERWOOD SUNDSTRAND
ACCOUNTING MACHINE

There's an Underwood product for every Accounting and Typewriting need!

In The Construction World

Facts Are Wanted

WHATEVER the merits or demerits of the Dominion Housing Act, even its defenders admit that the case for the Act has been badly presented to the Canadian public.

In place of the ballyhoo which to date has probably done more to retard than help the home building movement, an urgent need is seen for an intelligently directed advertising campaign by which the potential home owner can learn the facts of the situation, including the methods by which he can arrange his own loan for building purposes.

"How many years is it since you saw an advertisement calculated to create in the average reader the desire to build or possess a new home?" asks Val Fisher, of the Canadian Business Research Bureau, writing in the February issue of Canadian Advertising.

Mr. Fisher asserts that the need in this direction is constructive, desire-creating, persistent advertising on the part of loan and insurance companies, house builders and supply houses. He cites small advertisements by one large assurance company captioned "Are you planning to build a new home?" while the mortgage department of another famous company is using similar space headed "Plan your new home now."

• • •

Intelligent Advertising

THIS type of advertising, says Mr. Fisher, will never achieve results comparable with those reported in Great Britain. They are designed to appeal to people who have already made up their minds. There is little that is constructive in them.

Mr. Fisher's contention is likely to find considerable support among disinterested observers. Between the ineffective advertising mentioned by Mr. Fisher and the highly colored ballyhoo emanating from other would-be building revival campaigners, there is a happy medium. It lies in a presentation of the facts of the Dominion Housing Act and its operation, by the government, loaning institutions and other interested sources, including the building industry itself.

• • •

Alberta and The Act

WESTERN Canadian business organizations are taking action to make the Dominion Housing Act effective in Alberta, but with what degree of success remains to be seen.

Fears are expressed that Alberta may benefit to an even lesser extent than some other areas, under provisions of the Act, because of a "hands off Alberta" attitude said to exist on the part of loan and mortgage companies with head offices in eastern Canada. These are the most important source of lending funds under the housing legislation.

The Edmonton Chamber of Commerce, Edmonton members of the Canadian Manufacturers' Ass'n, and Edmonton Builders' Exchange are understood to be forming a joint committee with the object of inducing building under the Act, and the matter has already been discussed by the Chamber of Commerce council at Edmonton.

The subject is also on the agenda of the city finance committee and is likely to be dealt with in collaboration with the joint committee of the other organizations.

• • •

Too Much Caution?

FEELING in business circles of Edmonton is that the attitude of loan companies is not justified, and that the companies are unduly apprehensive and cautious. The result, it is claimed, is that recovery in Alberta is being retarded through a continued building slump.

Loan companies, it is asserted, give either "existing debt legislation" or the "highly experimental economic theories" prevalent in Alberta as an excuse for not loaning money for building.

It is doubtful, however, whether these alleged deterrents are the sole reason for the low level of building in Alberta. The condition is common to other provinces, and figures recently made public in the House of Commons at Ottawa indicate that only 113 loans have been made under the Act up to February throughout the entire Dominion.

• • •

Social Credit Factor

IN THE case of Alberta, however, radical financial theories propounded by the present Alberta government have not helped the situation.

On the contrary, lending institutions, with conservative financial policies, are more likely to exercise greater caution in lending money for building in Alberta than in other provinces, although they are obviously not over-enthusiastic regarding Housing Act loans in any sparsely settled areas.

Little Known Building By-laws Govern Everything But Comfort

Public Safety is Paramount but Unwary Buyer Can Be Sadly Disillusioned by Tricks of the Trade

By A. FRANK WICKSON F.R.A.I.C.

To those who wish to break them, laws are an intolerable nuisance.

A. Frank Wickson

Nearly everyone has his own ideas concerning laws and is liable to have the impression that some of them are arbitrary and objectionable. Generally speaking objectors are wrong.

Civilization itself is largely based on the development of the prohibitions necessary to protect the interests of each individual against the mass and the protection of the mass against the individual.

Protecting the Public

However, there are certain laws about which the lack of knowledge is general and these are the building by-laws which all cities and most counties have in force for the purpose of controlling, to some extent, the construction of buildings within their bounds.

These laws are primarily enacted for the protection of the public—they act as a guide to those who want to do things with regard to what is right and they are compulsive on those who are unscrupulous enough to evade any honesty in their buildings if free to follow their own bents.

The basis of these by-laws is public safety only, and they do not cover comfort, aestheticism, or even good workmanship except where safety is involved.

Builders' Risks

The kitchen may be execrably planned with everything in the wrong location and no sequence in the arrangements to facilitate comfort and the conservation of energy in these domestic workshops.

Clothes closets may be placed against exterior walls without heat. Bedrooms may be impossible as to arrangement of furniture and the lights may all be in the wrong places. Windows may be sources of draughts and heating meagre to the point of painfulness. The roof may leak and the fireplace abhor a draft — the only place in which one is desirable.

The interior finish of a building is of no concern to the authorities and the panelling on the walls may be faked, much to the amusement of the inspectors. The foregoing items are but samples of what the law does not do. They are factors quite outside the province of the authorities and it is the owner's lookout as to whether none of them jeopardizes life, limb or health.

Safety is Paramount

If people wish to build, or are unwise enough to buy, defectively designed or inadequately equipped buildings it would be curtailing personal liberty to prevent them, but they are not permitted to take chances where safety is concerned.

Laws are as dry as dust but not in the case of those connected so intimately with the places in which people spend most of their lives. These are the building by-laws.

A few of the permissions and prohibitions applied to modern construction under these laws are:

Though you may select an artistic salmon-colored brick, its use is prohibited unless it will conform in strength to the loads permitted on brickwork.

Safety of all walls, floors, roofs, columns and beams is carefully checked by the authorities, an additional precaution after architects and engineers have estimated accurately their strength and stability.

Prohibitions

In spite of a man's home being his castle and in spite of all the individual liberty which Canadians enjoy there are some things they are not permitted to do even in the home or place of business. Some of them are:

That wooden buildings are prohibited in certain districts.

That in residential work you may not cover more than a certain maximum area of your property or build on any street less than 40 feet in width.

That, however much the aesthetic result of low ceilings may appeal to you, all rooms must have a height of more than 7 feet and that whether or not you are enamored with the effect of dim religious light the window area must be equal to 10 per cent of the floor area and the top of a window must be not less than 6 feet from the floor.

That except in certain institutions where the inmates are not voluntary visitors, no room shall be less than a certain size, generally about 100 square feet.

That all wooden shingles must be laid over a fireproof material.

Fire Restrictions

If you decide to build an apartment house three or more stories in height and wish to have it cheep and attractive with a showy staircase, fully exposed to view, you are not permitted to indulge your own fancy in the matter. The building must be fire-resistive in construction and there must be two staircases, each one enclosed with fireproof walls and doors. The width of these stairs is also governed.

While economy in lighting is tempting, in all apartment houses it is compulsory to keep certain lights on from sunset to sunrise.

Do you know that the floors of warehouses and factories may not be loaded at the will of the owner, but that prominent placards must be displayed stating the loads permissible? Do you know that in all such buildings all elevators shall be enclosed?

Do you know that all dry cleaning plants or those for boiling soap are prohibited except under special permission?

Church Construction

When leaving your church and engaged in conversation about things quite irrelevant to the service you may be unaware that the size of the exits is definitely defined and that where the seating accommodation is over twelve hundred you are protected by a fireproof floor. While steam boilers are permitted under the chancel of a church there is a prohibition against them being placed under the audience.

This is perhaps an unjust discrimination regarding the relative preparedness of those in the congregation and those leading in the conduct of the services.

In auditoriums seating more than five hundred all seats must be secured to the floor and the position and width of all aisles is definitely settled. Chimneys to which gas furnaces are attached must be lined with gas proof tiles.

These references are only some of the precautions necessary to make cities and towns approximately safe to live in.

Building by-laws, like buildings themselves, if not kept up to date, become obsolete and must be periodically revised. To that end, in the city of Toronto, representatives from a large number of organizations have been at work for over two years on that city's by-laws with a view to harmonizing them with the most recent developments in materials and the methods of using them.

Building Laws

Did you know that in certain buildings lights must burn continually from sunset to sunrise?

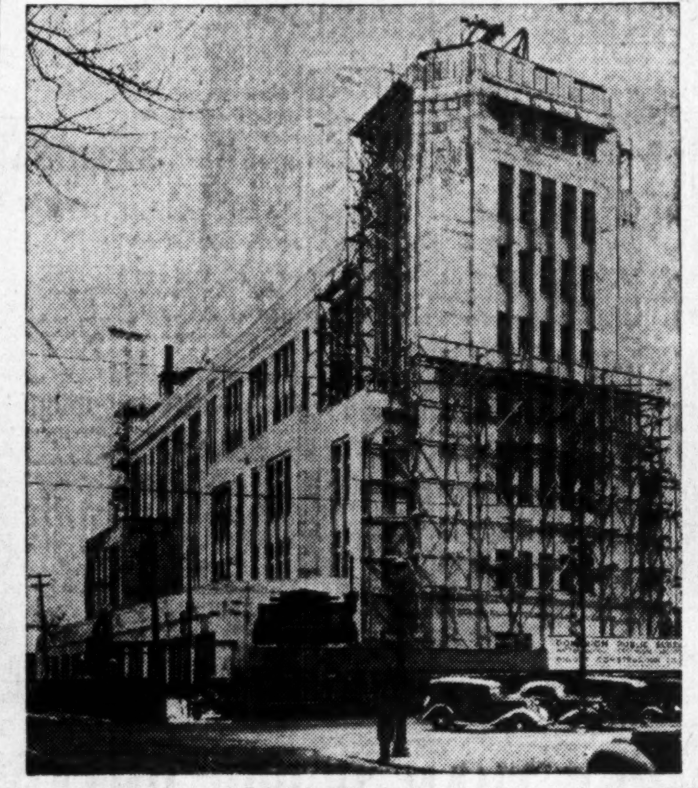
Is your kitchen planned with everything in the wrong location or are your clothes closets placed against cold, outside walls?

Are all the drafts in your windows, and none in the grate?

If so, your house may still conform to all building by-laws, for these do not protect you against badly designed dwellings. They are meant to govern factors of fire protection, stress, and public safety.

Some of the little known regulations, which indicate exceptions to the rule that a man's home is his castle, are revealed in the fourth article of a series by A. Frank Wickson, F.R.A.I.C.

London's New Federal Building



Above is shown the new Dominion Government building in London, Ont. The architects are Watt and Blackwell, and O. Roy Moore.

Gravity Manufacturing Used in New Can Plant

Saw-tooth roof construction, in addition to almost continuous side wall windows on the top story are among the features of Continental Can Company's new factory at New Toronto. These, among other construction features, are included with the object of obtaining maximum light and air on the upper story.

The plant contains several striking designs, the object of which is to secure the highest possible degree of factory efficiency. Elevator shafts and stair wells are carried, for example, in towers outside the main building, so that maximum floor space will be available for manufacturing purposes.

The manufacturing unit itself is on the upper story of the three story structure, and this design permits continuous gravity flow of finished cans from the automatic can-making lines, to the storage and shipping departments on the lower floors.

It is expected that actual manufacturing operations will commence in time for the summer season.

POWER SITUATION REACHING CRISIS IN SASKATCHEWAN

Main Civic Plants Face Heavy Replacements Without Funds

From Our Own Correspondent

REGINA.—The future of power development in Saskatchewan may come to a head before long, judging from activity being displayed in Regina where various companies are angling for a hold on the Regina municipal plant. A similar situation exists in Saskatoon, where the Saskatchewan power commission owns the plant.

Need Replacements

Both plants have reached the point where they need replacements totalling more than one million dollars. But neither Regina nor the Saskatchewan Power Commission appears to be in a position to provide sufficient liquid assets for these replacements.

Private Firms Watch

Sensing this, private power companies have entered the field with tentative propositions to bear the cost of improvements. Alberta companies are talking of building power lines from the Bow River plants across Saskatchewan to feed Saskatoon and Regina and points en route. Their object is not so much to buy out the city plants but to supply power in bulk. Civic retail distribution would be left to the cities.

It is understood the Saskatchewan Power Commission is striving to outdo the private companies by holding out as an inducement construction of the Fort La Corne power project to cost from $15 millions up. This proposition would be on the Saskatchewan River east of Prince Albert. Previous suggestions urged the money be obtained from the federal government and it is believed the same suggestion is being stressed by the power commission before the city councils.

Housing Act Loans Stand at $755,900

Amounts advanced by the Dominion Government and approved lending institutions, under provisions of the Dominion Housing Act, up to February 25, 1936, totalled $755,900.

The total compares with $666,508 at January 31, 1936, according to figures made public in reply to questions in the House of Commons.

Loans made up to February 25 numbered 113. Classifications in various price fields were as follows:

Price Groups	
Not exceeding $3,000	8
Over $3,000 not exceed. $4,000	17
" 4,000 " " 5,000	22
" 5,000 " " 6,000	12
" 6,000 " " 7,000	17
" 7,000 " " 8,000	20
" 8,000 " " 9,000	9
" 9,000 " " 10,000	1
" 10,000	7
	113

TORONTO BUILDING AT LEVEL OF 1934 PERMITS INDICATE

But Total Only Slightly Over One Third 1935 Volume

Building activity in Toronto is being maintained at approximately the same level as in the first two months of 1934, but it represents only slightly over a third of the total for the January-February period of 1935.

February, 1936, building permits in Toronto totalled 173, for 213 building units in 25 structural classifications, and total value is placed at $251,890. Last year, February permits totalled 174, for 187 structural units valued at $1.3 millions.

For the first two months of 1936 values of building permits total $452,977 against $1.7 in the 1935 period and $471,503 in the corresponding period of 1934. Brick dwellings lead the volume of structural classifications with a total of $88,000 during February, 1936.

The actual volume of building permits issued to date in Toronto does not, however, accurately indicate the prospects for construction during the spring and summer. Despite the reduction from 1935 levels, due partly to extremely cold weather conditions, building in prospect may alter the present trend within the next two or three months.

New Building in Sight

Building construction is necessarily preceded by drafting of plans and specifications, as well as application for building permits. Up to the present, these reveal that a large number of small contracts are pending, including a large amount of rehabilitation work, renovation, and "appearance" contracts, the latter including paint, cornicing, reglazing, roofing and concrete curbs and walks.

Spring building in Toronto should reach its stride by the end of the month, building authorities state, and March building permit figures will, therefore, be regarded as significant of the outlook for construction operations in the Toronto area this year.

HEINZ COMPANY ENLARGES PLANT AT LEAMINGTON

New Construction to Include Kitchens, Water and Power Facilities

Building expansion and enlargement of factory equipment on the largest scale in the history of the H. J. Heinz Co. in Canada will commence shortly at the company's Leamington, Ont., plant.

New construction will include additional kitchen, storage and water supply facilities, and power plant, according to present plans, and a large part of the addition is scheduled for completion before July 1. Leamington reports are that Hutton and Souter, Hamilton architects, have been retained to prepare plans and specifications, preparatory to letting contracts.

Expansion of the Heinz plant at Leamington has continued almost without interruption since the company established itself in the Niagara area 25 years ago, and important plant additions have been made in recent years.

Slow Revival Of Confidence Aids Building

Basis is Seen For Major Improvement By 1937

TAXATION IS CHECK

During the last six years the construction industry has been in the doldrums. Existing plant and equipment, generally speaking, were quite sufficient to meet current needs for industrial products.

Speculative builders found it increasingly difficult to secure the necessary money to finance their projects. Buyers were hard to find, and hard to please on price. The construction industry has probably been the most hard hit during the depression.

While 1936, in all probability, will not see a general revival in construction, 1937, should bring definite improvement in this industry, according to present indications, says Frank L. Pogue, editor of the Board of Trade Journal, Toronto, in a current survey of the outlook for building.

Affects All Trades

Economists are watching with interest the factors disclosing themselves in the field of construction, as the building industry is of great importance in the economic life of the country—because of its interdependence with the capital and labor markets and its influence on the demand for products of other industries.

The rate of absorption of employment in the distributive trades, has shown indications of slowing down. Distribution cannot be expected to go on absorbing additional labor. With this outlet closed, the position in the building trades becomes more than ever important as a determining influence on the general condition of employment.

Workers on Relief

In the United States it is estimated that one in every five workers belongs to the building trades or dependent industries. The ratio is relatively the same in this country. Out of these industries have come the largest number of unemployables on the relief rolls. It is obvious then, that a revival of construction would effect an important stimulus to general business recovery.

While a marked percentage of increase was shown by the construction industry during 1935, the absolute gain was of moderate proportions. Compared with the peak year of 1929, construction activity still remains at low levels.

House Construction

Perhaps the housing plans now being considered throughout Canada will start the ball rolling. These plans will include financing under the Dominion Housing Act.

The programme of public works launched by the Dominion Government in 1934, involving an amount of $40 millions, together with the supplementary programme of 1935, have had their effect upon the present improvement in construction. The main requirement, however, for a general revival in the construction industry is confidence and acceleration of private building enterprise.

Retarding Influences

Moratorium legislation and high rates of taxation have had their effect in impeding the progress of construction, although now it is seen that a more favorable outlook in these directions would inspire confidence on the part of homeowners and investors.

Unbalanced budgets of provincial governments and municipalities have also presented investment problems to large financial institutions. With a development of a favorable trend in these conditions, the field of construction should show steady improvement.

Initial Dredge Operations Start for Fraser Bridge

The first move in construction of the Fraser River bridge has been made with the arrival of a dredge at New Westminster, B.C., to commence preparatory river work.

The river bed will be levelled prior to placing of the first pier caisson near the north bank.

The caisson is nearly ready to be towed into position, and a second is under construction. Weather has delayed operations for several weeks, but it is now being resumed.

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Canadian Pacific Railway

Please let me have the latest particulars with regard to the 6 per cent convertible bonds of Canadian Pacific Railway.

There are no particular developments in connection with the 6 per cent convertible, 10-year collateral trust bonds of Canadian Pacific Railway. The company has been able to cover all of its fixed charges and the financial statement for 1935, which will make its appearance in April is expected to show no change in this regard.

These bonds are convertible into common stock up to September 15 of next year, on the basis of four shares for each $100 par value of bonds. In view of the relatively high coupon and the conversion privilege, the 6 per cent bonds have attracted fairly widespread market attention in recent months and have been at a substantial premium. The C. P. R. convertible 4 and 3½ per cent issues have greater speculative attractions because they carry a longer-term conversion privilege.

Loblaw Value

I have been advised to sell my Loblaw Groceterias Co. class A stock because other chain stores have run into unsatisfactory results. Is the stock selling for more than it is worth?

The record of Loblaw Groceterias is good. The dividend of $1 a share is being earned, sales have been improving, and the yield on the A shares is five per cent. The company is still showing every evidence of careful study of changing conditions in marketing and adapting its structure to meet those conditions. Under the circumstances it is difficult to see that there is evidence that the stock is selling for more than it is worth.

Power Corp.

I have been asked to exchange my holdings of first preferred for the second preferred stock of Power Corp. of Canada. I am told that the latter has greater possibilities and I would like your comment on the investment merits of these two securities.

Power Corp. first preferred stock is now selling around 100 compared with its call price of 110. The stock ranks for cumulative dividends ahead of the second preferred.

The second preferred stock is selling at a small discount and is noncumulative as to dividends. It participates in the distribution of dividends with the common stock, after $3 a share has been paid on the latter. To date the company has never paid a dividend as high as $3 on its common stock.

From the point of view of safety of principal and income, the first preferred stock has the greater attraction. There is, of course, a greater speculative margin with the second preferred stock, in that it is selling at a discount and has the right to participate in the distribution of any dividends larger than $3 a share on the common stock.

Dairy Corp. Interest

Under the reorganization of Dairy Corp. of Canada about two years ago, investors received $80 of new debentures for each $100 then held along with four class B voting shares. I have been hoping that with even moderate business recovery the company would have no difficulty in earning and paying its debenture interest, and possibly returns on the stock. Will you kindly let me know what shape the company is in at present, and whether I should sell the debentures at present prices?

Dairy Corp. has not issued a complete financial statement for some time, but we understand that the company's share holdings in its operating subsidiaries have been involved as collateral for bank loans. If this banking situation is cleared up, there is some prospect of payment of interest on the debentures. Interest accrues from Jan. 1, 1936, and the first fixed payment is due July 1 next. If the banking situation remains involved, you might do better in the meanwhile in some other investment, but you could only obtain about $24 per $100 for your debentures.

We understand earnings of subsidiaries are sufficient to cover interest on the debentures, but there is still some doubt as to whether these earnings can be drawn down by Dairy Corporation, the holding company.

Investment Bond

I have been holding some of the bonds of Investment Bond and Share Corp. for a long time and am wondering whether or not I should sell. However, if the company is making any progress, I would like to know, as it will probably influence my decision as to whether or not to hold on.

Investment Bond and Share Corp.'s financial statement for 1935 shows an improvement in the value of its investment portfolio, while income is still relatively low. At the end of 1935 the company had outstanding $1,977,500 of debentures against which the market value of securities totalled $1,853,002. At the end of the previous year, the debentures outstanding totalled the same figure, while the market value of investments was $1,604,518.

Galt Bonds

Please let me have your views on the standing of Galt debentures.

Galt's debentures are ranked as high quality municipal securities, as is indicated by high prices paid when the city borrows. The financial administration has been good, and the city has come through the depression in a strong position with its debenture debt reduced by over $1 million. The people of the community are thrifty, and the city has a diversity of industries.

Int. Pete. Bonus

What are the net earnings per share after all charges on International Petroleum common stock? Do you expect the bonus will be continued by International Pete for some time?

Net profit of International Petroleum Co. in the year ended June 30, 1935, was $1.49 per share on the preferred and common shares which rank equally for dividends. Dividends paid in the year amounted to $2.25 a share, but are being paid at the rate of $2.50 a share. This would indicate that about $1 a share is being drawn from earned surplus, which is strong enough to allow the company to continue the present rate for four or five years

It is hoped by officers of the company, we understand, that in the course of time current earnings will be high enough to warrant a continuation of dividends. That, of course, can only be determined by events. The company has had an excellent experience so far. Its affairs have been well managed and its markets are growing. The major part of its production is marketed in Europe and elsewhere and only about one-third comes to Canada.

H. Simon and Son

Is there any likelihood of H. Simon and Son paying dividend on its common stock?

At the recent annual meeting of H. Simon and Sons Ltd., Arthur Simon, president, stated he hoped the company would be in a position to make a distribution on the common stock this year. Now that arrears of dividends on the preferred stock have been cleaned up, the way is open for a dividend on the common.

Canadian Vickers

A client of mine is considering the first mortgage bonds of Canadian Vickers. Will you please let me have a brief comment on some of the more outstanding features of this bond?

Canadian Vickers Co. has been having some difficulty in making both ends meet during the last few years. Its business has fallen off sharply and earnings have declined. With regard to the company's first mortgage bonds, however, it should be remembered that the subsidy given to the company under the Dominion Dry Docks Act is hypothecated to the trustee for the bondholders. Consequently the bondholders are assured of a revenue of at least 4 per cent in the event that the company is unable to meet its obligations in full. Another point to remember, is that the company has been unable to meet the sinking fund requirements on these bonds.

Income Traders

What information can you give me in Income Traders A stock? I hear it is offered at $75 and that in a few months will return $100 to the buyer.

We have been unable to get complete prospectus details on "Income Traders" which was apparently connected with "Prudential Trading Co." and with London Financial Services Ltd. We understand that the Toronto Better Business Bureau has also tried to get complete information on it and that the Ontario Securities Commission has investigated the scheme without becoming convinced that it is "a sure thing."

Canada Steamship Lines

I am still holding on to my general mortgage bonds of Canada Steamship Lines. Has there been any improvement in the company's position and what is the bondholders protective committee doing?

Canada Steamship Lines is slowly working its way into a stronger position. During the past year bank loans of $1,250,000 were liquidated and the net improvement in the company's position was around $1,100,000. The lack of grain movement from the head of the lakes to the seaboard, together with cut-price competition, has been the principal trouble of the company. Given a more adequate grain movement and stabilized freight prices, the company should be able to show sufficient earnings to cover funded debt charges. As the situation now stands, earnings have dropped to a point where the company is no longer able to meet the sinking fund on the first mortgage bonds (though interest is still being paid) while sinking fund and interest on the general mortgage bonds have been deferred. The bondholders' protective committee so far has taken no action in drafting any plan of reorganization.

Industrial Alcohol

As a holder of Canadian Industrial Alcohol "A" stock, I would like to know what you think of prospects of the company paying a dividend this year.

The prospects of Canadian Industrial Alcohol paying a dividend appear rather favorable. Over the past year a great deal has been done to re-establish the financial position of the company. Bank loans have been paid off, new sales outlets opened up, and the way prepared for the payment of a return on the capital stock. There is no official information as to when this is likely to take place, but some definite announcement may be forthcoming before long.

Can. General Investments

I understand that Canadian General Investments has improved its portfolio, and that the dividend yield on the shares is satisfactory. Can you confirm this?

Yes. Canadian General Investments has 600,589 common shares outstanding. It holds widely diversified securities, over 70 per cent being common and preferred shares, and nearly 90 per cent in Canadian corporations.

At Dec. 31, 1935, net asset value per share was $10.55, compared with $8.01 three years earlier. Earnings for 1935 were 46 cents a share, and dividends of 40 cents a share are being paid annually, giving a yield of nearly five per cent on the current market price of $8.25 a share.

The board is headed by Rt. Hon. Arthur Meighen, and includes leaders in Canadian business and finance. Shares of Canadian General Investments represent a proportionate interest in a wide list of securities, and are available at a discount from current market value of the portfolio.

Price Too High

I have been approached to purchase Cities Service Power and Light Co. 5½ per cent debentures at 80. What do you think of this?

In answering enquiries, The Financial Post confines itself to giving information on Canadian securities, or on securities of companies abroad in which Canadians have a major interest. Therefore, we refrain from giving information on a company like Cities Service Power and Light, which is a subsidiary of the American firm, Cities Service Co. However, we might point out that the debentures have been selling in New York around 71, so that you are being asked too high a price.

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The Woman Investor

Broker's Beauty Chorus

WOMEN notice little things.

And sometimes that faculty saves them money, where a less discerning male will enter the trap.

Several years ago a so-called brokerage firm flourished in eastern Canada. It was conducted by a young man of good family, little financial experience, and a flair for the grand manner. As a broker, he was a negative quantity since his sole purpose was to act as a "front" for foreign promoters who financed the ornate office, and fed their promotion stock to the public via the "front man"-broker.

"The Staff"

BUT the staff of the office was a sight not soon forgotten. It consisted of about twenty of the most beautiful blondes ever seen outside a musical comedy chorus. They were dressed only slightly less ostentatiously than a chorus, and as bewildered males entered to transact business they momentarily expected the office staff to break into song and dance.

The effect on more susceptible clients can be imagined, and those who were not impressed with the beauty parade represented no loss to the firm since they were usually men astute enough to avoid closing "a deal" for the firm's security offerings.

Women clients, many of whom failed to realize the character of the operators, were likewise on guard the moment they glimpsed the astounding display of pulchritude and clothing.

"If," said one women, "I had bought their stock after reading the literature they sent me, I would have sold it the minute I saw their offices."

* * *

Warning Signals

FORTUNATELY for her and many others who paid a personal visit to the "broker" the garish attempt at "smartness" had the opposite effect. It told as plainly as words could have done, that the whole establishment was "front"

Bona fide financial houses seek attractive, neat, and intelligent women for their clerical staffs. They neither want nor will employ young girls whose sole assets are a pretty face and fashion show clothes.

Security Analysis

Fanny Farmer

Record 1935 Year Fails to Sway Management from Conservatism

Fanny Farmer Candy Shops Inc. has outstanding capital of 390,468 common shares, there being no preferred stock or bonds. Head office is at Rochester, N.Y., and it operates a chain of 180 candy shops in the eastern and central United States.

The company had total sales of $4.8 millions in 1935, compared with $4.2 millions in 1934, and net profits of $501,000 last year were the highest on record, being the equivalent of $1.28 a share, compared with $1.06 a share in 1934. A dividend of 50 cents per annum, payable 12½ cents a share quarterly, is being maintained, and covered by the large earnings margin. A statistical record of the company's progress follows:

Fanny Farmer Candy Shops*

Year	— Per Share — Equity	Earnings	Dividends	Price of Shares H	L
	$	$	$	$	$
1926	nil	.76	nil	7	5
1927	.45	.62	nil	8⅞	6¼
1928	.98	.68	.25	10¼	7¼
1929	1.78	.86	.25	9¼	4¼
1930	2.30	.62	.25	5⅜	2¾
1931	2.38	.36	.25	4¼	2
1932	2.55	.26	.12½	2¼	1⅜
1933	2.78	.44	.25	3⅜	2¼
1934	3.41	1.06	.37½	9⅜	2¾
1935	4.19	1.28	.50	13¾	7⅜

*All figures adjusted to basis of present capital.

Because of the high level of earnings, there had been expectations that a bonus dividend might be declared at the recent annual meeting. However, President Frank P. O'Connor said that the company was not changing its conservative policy in its expansion and dividend policies. This caused a drop of the shares from about $16½ to $15, at which level the yield is 3.3 per cent. In February, 1936, a record high of $17⅛ was established.

Management and Outlook

The Fanny Farmer chain is under the same direction as the Laura Secord Candy shops in Canada, and operates on a unit system. A local studio supplies fresh goods to local stores, and each such unit supports itself. The management has proved its high quality by practically continuous improvement of sales and earnings for 20 years. Senator Frank P. O'Connor who is president of both companies holds about 25 per cent of the Fanny Farmer stock.

Since the company has been gradually expanding its chain, and may reach a total of 200 stores this year, expectations are that sales and earnings should continue to rise, although perhaps not at the sensational rate experienced in 1934 and 1935. The company is in a very strong liquid position to carry on its conservative expansion policy. The same strong liquid position entitles it eventually to pay increased dividends, always provided, of course, that earnings are maintained.

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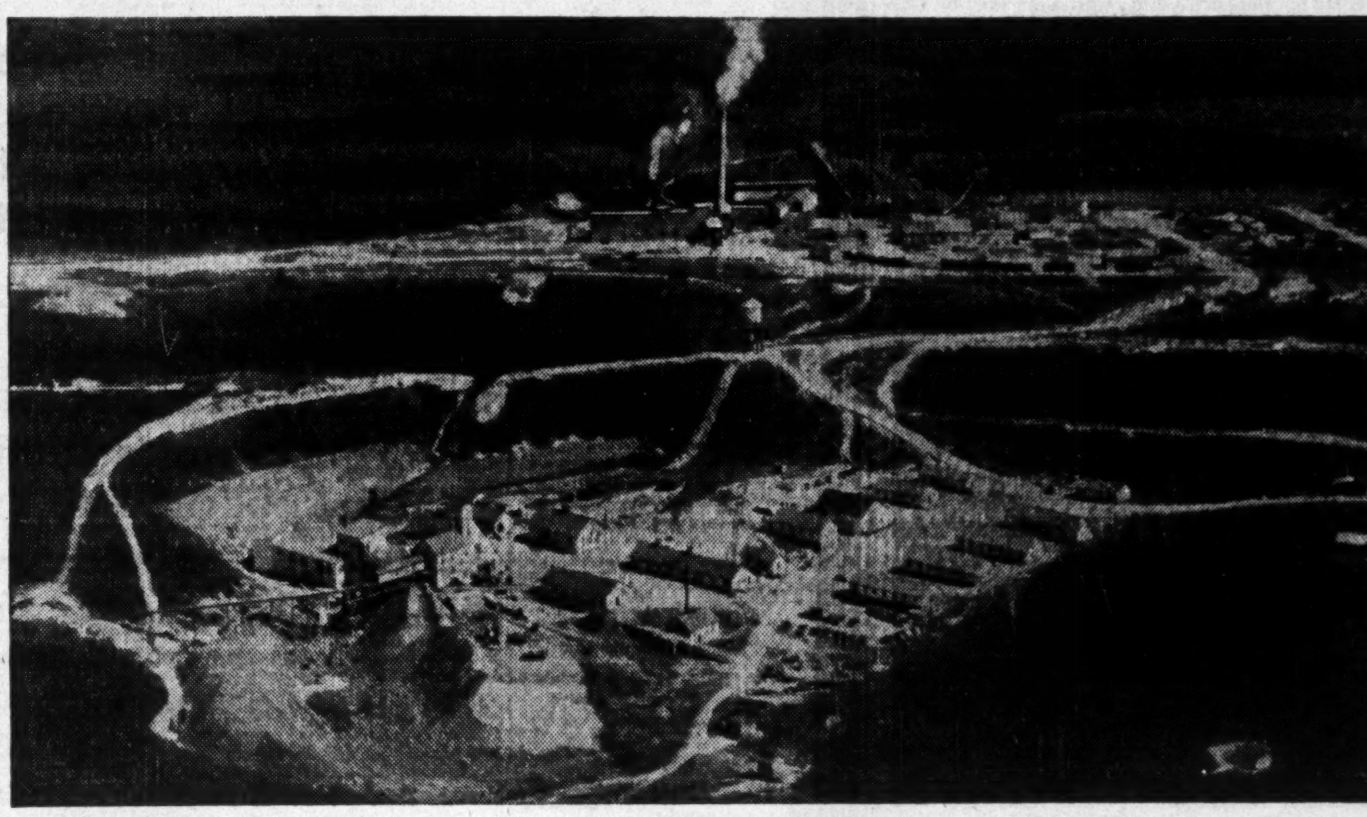
Greenshields & Co
INCORPORATED
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE



DEPRESSION descended on Canada in 1929. But during these years of difficulty, mining has carried on, pouring new millions into the stream of Canadian buying power.

Consider the substantial contribution of one group of companies.

Ventures Limited and their associated companies have expended in Canada, in the years 1929 to 1935, the enormous sum of **$31,518,331.**

The money has been spent in exploration, development, mining operations and the purchase of machinery and supplies.

Between 1929 and 1933, which included the darkest days of the depression, the companies spent **$20,453,375.**

To this must be added expenditures in 1934 of **$4,245,213** and in 1935 of **$6,819,744.**

Activities of these companies comprise all stages of mining operations from Prospecting to Production. But whether in the search for new mines or in their development or operation, the money that is spent goes to create jobs for Canadians and to add to the net total wealth of the nation.

STATEMENT OF EXPENDITURES

More complete figures on the expenditures of this group of companies follow:

Company	1929 to 1933 Inclusive	1934	1935	TOTAL
Ventures Limited	$2,539,659.48	$ 242,203.48	$ 305,271.13	**$3,087,134.09**
Falconbridge Nickel Mines Ltd.	5,882,175.75	1,771,203.55	2,664,914.59	**9,318,293.89**
Sherritt Gordon Mines Limited	5,999,934.57	47,789.84	49,500.40	**6,097,224.81**
Sudbury Basin Mines Limited	1,379,540.50	13,008.65	13,536.97	**1,406,086.12**
Coniaurum Mines Limited	2,950,545.22	828,291.57	1,170,571.78	**4,949,408.57**
Beattie Gold Mines Limited	1,701,519.61	1,753,520.64	1,784,518.75	**5,239,559.00**
Matachewan Consolidated Mines	....	318,695.50	363,982.53	**682,678.03**
Canadian Malartic Gold Mines Ltd.	....	270,498.90	467,447.94	**737,946.84**
TOTAL	$20,453,375.13	$4,245,212.13	$6,819,744.09	**$31,518,331.35**

In the main, the money that has been spent has been earned from mine operations. In turn it has gone into wages, railroad freight and electric power, and for the purchase of equipment and supplies.

As the mines become established, the expenditure grows. Everyone in Canada gains some portion of the benefit. To provide supplies and transportation for this one group of mines alone and to supply the personal needs of the immediate employees, profitable employment is supplied to men and women in every part of the country.

This is what mining means to Canada.

Ventures Limited and Associated Companies

HEAD OFFICES:
25 KING STREET WEST
TORONTO, ONTARIO

G.M.'s New G.M.

General Motors Executive Gets Big "Kick" Out of Everything He Does—Management Policy Goodwill

By SCOTT FYFE

General Motors of Canada has a new vice-president and general manager, and Oshawa youngsters a new part time playmate.

When H. J. Carmichael moved into his new quarters Monday, he eased himself very gingerly into his chair. He still carries the marks of indulgence in one of his favorite pastimes.

It seems the boys of St. Catharines wanted a rink and Mr. Carmichael undertook to provide one in his back yard. He is chief "groundsman" for this ice sheet and personally attends to flooding. Better still, he undertook to play on it with the youngsters. His farewell appearance was celebrated by an extra rough session, in which he was bumped right over the boards and on several occasions was very neatly upset.

Knows Youngsters

The sight of "Harry"—all the youngsters call him that—playing with the "kids," arouses no comment in St. Catharines. Throughout the summer, he can frequently be seen on a vacant corner lot, with coat off and sleeves rolled up, yelling himself hoarse and having the time of his life playing baseball with a pick-up team, the other members of which are some 30 years his junior. He gets a kick out of it.

Children are his pals, although he himself is a bachelor. He is said to know more youngsters in St. Catharines than any other person with the possible exception of the school inspector. Many of them he can call by name, and if a boy is at all athletically inclined, he can reel off his life history.

H. J. CARMICHAEL

Management Policy

He has developed much the same spirit of camaraderie in the office and factory of McKinnon Industries, of which he has been president and general manager since 1929. Here, too, he is known as "Harry," and almost every workman seems to regard him as a personal friend. He is definitely part of "the gang." One of the most treasured of the many letters of congratulation which followed his appointment was written by a workman in the factory. In expressing the congratulations and good wishes of those working with him, this employee could not resist one word just from himself. It was this: "I am proud of you."

It might be imagined that with such a free and easy method of management, affairs would get out of hand. Such is far from the case. There is another side to H. J. Carmichael. If a man does good work, he gets the credit; if he makes a mistake, the president is quite willing to help; but if he deliberately goes against orders, look out. As one of the men puts it "He'll give credit if you deserve it, but he sure can give you hell for things you do wrong."

He's Approachable

He has a mind of his own. He thinks pretty much as he likes and acts accordingly. But he is always considerate. One can go to him with the feeling that any reasonable request will be met. One can argue with him—he wants other people's ideas—but once his course is set, he sticks to it. He is rigid in respect to discipline.

Success has not gone to his head. He is unpretentious—puts on no front. From the time he first arrived in St. Catharines 24 years ago until long after he was president of McKinnon's he lived at the same boarding house. True, he has two cars. But one is a neighborhood car. It is often made use of by sporting and other organizations which require transportation. And if the car isn't sufficiently large, a truck has frequently served; Mr. Carmichael is an officer of the Toronto-St. Catharines Transport Co.

Said to be Lucky

He is said to be rather highly strung—to be quick tempered. But generally only on justifiable grounds. Some say he is lucky. He is fond of horse racing, and lucky at it. He likes bridge—and a disgruntled opponent claims he is "lucky as the devil" at that too. Some have gone so far as to say that he has been lucky in business. And if ability to grasp an opportunity can be called luck, he probably has.

Mr. Carmichael was born in New Haven, Conn., but considers himself and likes to be considered, a Canadian. He has applied for but never completed Canadian citizenship papers. His parents were both British subjects, and although resident in the United States did not take out American citizenship. His father was an engineer, working in an artificial ice plant.

He had intended to attend university, but a rather unusual accident changed his plans. His desire for a college education was almost entirely based on the athletic possibilities which it could provide. Shortly before he completed his high school course he had the misfortune to strain the ligaments in his arm, effectively ending his sport career for the time being. Consequently he entered the office of Sargent & Co., in New Haven, in 1908.

Chose Factory Job

His ambition even then was to advance to an executive position, and a short term at office work convinced him his best road to this goal was through mechanical training. Consequently, he gave up his $25 a week office position to take a job in the factory paying only $3.50 weekly.

He was with Sargent & Co. four years. In that time he realized that with two or three Sargents, in the business, each with male offspring he stood little chance of attaining his ambition.

His reason for coming to Canada was based on different grounds. He went to St. Catharines to play baseball, and a position was found for him in the McKinnon's Ltd, plant chiefly for that reason. Present-day financing of athletes, however, was not in vogue then, as he well recalls chipping in to help buy equipment.

Started as Pattern Maker

He started in the factory as a pattern maker at 30 cents an hour. His rise since has been steady, progressing through the various supervising positions to foundry superintendent, and eventually to vice-president and general manager. When McKinnon's, Ltd., was taken over by General Motors in 1929, he was advanced to president and general manager, offices which he will retain in addition to his new appointment. He is thus in the position of being able to take over any job in the McKinnon plant. He has never regretted his choice of occupation.

Mr. Carmichael does not look like the painted picture of a general manager. About 45, he appears considerably younger. Dark, tall, with broad shoulders, he gives the impression of being a trained athlete rather than a business executive.

What have been the major factors in his advancement from a $3.50 a week laborer? If one were to ask him, the reply would be that he was always willing to do a little more than he was supposed to do, and that he has always tried to be fair. Those working with him a number of years attribute his success largely to ability to almost instantly grasp the essentials of a problem and his knack of handling men. To an observer, much of it seems due to the fact that he gets a kick out of everything he does.

While his active participation in business has been limited to two organizations, he has been identified, chiefly in an advisory capacity, with a number of others. These include the Conroy Manufacturing Co., the Toronto-St. Catharines Transport Co. the St. Catharines Loan & Savings Corp. and the Marquette Manufacturing Co.

In referring editorially to his appointment, The St. Catharines Standard says "No citizen of St. Catharines has given himself so superabundantly to the public or the service of others than has H. J. Carmichael." Recognition of his services was made last year in the award of one of the late King's Jubilee Medals.

Many Public Duties

Among the public offices he holds are those of president of the St. Catharines branch of the Victorian Order of Nurses, and the Boy Scouts Association—he is also on the Dominion board of the latter organization—member of the board of governors of Ridley College (although he is not an old boy), past president of the Chamber of Commerce and various positions in connection with other public spirited enterprises, such as relief administration.

A keen sportsman in his younger days, Mr. Carmichael retains his interest in games. He formerly played with the St. Catharines baseball, basketball and rugby teams and was also a member of the rowing crew. He regards as one of the highlights of his life the day back in 1924 when the team for which he caught "almost" defeated Toronto Oslers for the Ontario baseball championship.

Mr. Carmichael will spend most of his time in Oshawa but plans to be in St. Catharines on Wednesdays and week-ends. He hopes to maintain his interests in that city.

In speaking of his new appointment, Mr. Carmichael told The Financial Post "I am tackling a large proposition and I hope I measure up to it." Whether the change will mean revision of General Motors' policies or personnel, he does not know. He has yet to become acclimatized. However, he does hope to introduce measures designed to spread out production more evenly over the year, so that seasonal unemployment may be lessened.

Sees no Radical Change

As might be expected, Mr. Carmichael is enthusiastic over the future of the automobile industry. He feels that its hey-day is yet to come. But he looks for no very radical developments.

One feature of the Canadian situation, he believes should be improved. Main highways should be widened, particularly those from border points to places of national interest. Present roads, he claims, are too narrow for either comfort or safety while driving. It is his opinion that in taking care of thousands of unemployed a programme of building wider and safer roads would not only greatly increase tourist traffic but would also lessen accident hazards.

Metropolitan Life Insurance Company Policyholders

have an interest in this Annual Report

IT may be assumed that these policyholders took out their insurance through a sense of responsibility for those in whose protection they are interested.

When they pay their premiums, there falls upon the Insurance Company a responsibility to pay current claims and to provide adequate funds for the payment of all future obligations.

The figures below show the amount of the claims paid by this Company last year. They also show how well prepared the Company is to meet its responsibilities in the future.

The number of policies and the amount of insurance in force reflect the confidence reposed in the Company by the people of Canada and the United States.

Report for the Year Ending December 31, 1935

(In accordance with the Annual Statement filed with the New York State Insurance Department)

INSURANCE IN FORCE

Life:	
Ordinary	$10,483,415,421.00
Industrial	6,829,500,380.00
Group	2,956,433,775.00
Total	$20,269,349,576.00
Accident and Health Weekly Indemnity	$15,650,772.00
Policies:	
Life (including 1,670,041 Group Certificates)	42,165,146
Accident and Health (Including 865,981 Group Certificates)	1,082,250

ASSETS AND LIABILITIES

Assets	$4,234,802,511.49
Liabilities:	
Statutory Policy Reserve	3,689,776,768.00
Dividends payable to policyholders in 1936	95,994,851.00
Other Liabilities	144,221,171.70
Contingency Reserve	45,000,000.00
Total Liabilities	$3,974,992,790.70
Unassigned Funds (Surplus)	$259,809,720.79

BUSINESS IN 1935 (YEAR'S FIGURES)

New Life Insurance issued:	
Ordinary	$1,116,686,662.00
Industrial	1,016,825,103.00
Group	172,083,462.00
Total	$2,305,595,227.00
Revived and Increased	$813,312,899.00
Payments to Beneficiaries and Policyholders:	
Death benefits	$157,889,172.69
Other payments to policyholders	$377,362,411.32
Total Payments	$535,251,584.01

BUSINESS IN 1935 (DAILY AVERAGES)

Life policies issued and revived per day	18,242
Number of claims paid per day	2,280
Life insurance issued, revived and increased per day	$10,327,510.00
Payments to beneficiaries and policyholders and addition to reserve per day	$2,330,620.00
Increase in assets per day	$674,485.00

CANADIAN BUSINESS

Life Insurance in force in Canada at end of 1935		$1,038,354,570
Ordinary	$584,835,518	
Industrial	380,046,360	
Group	73,472,692	
Life Insurance issued in Canada in 1935 *(including business revived and increased)*		$181,676,403
Nursing visits made to Canadian policyholders in 1935 without additional charge		399,331
Health publications distributed in Canada in 1935		4,479,361

Investments in Canada		$267,633,143.76
Dominion and Dominion Guaranteed Bonds	$64,799,847.19	
Provincial, Municipal, Provincially Guaranteed and Municipally Guaranteed Bonds	113,024,464.93	
All other investments	89,808,831.64	
Policies in force in Canada *(including 41,343 group certificates)*		2,637,455
Ordinary	400,515	
Industrial	2,195,597	
Group (certificates)	41,343	
Payments to Canadian Policyholders in 1935		$28,412,440.91

METROPOLITAN LIFE INSURANCE COMPANY

Home Office: NEW YORK

FREDERICK H. ECKER
President

LEROY A. LINCOLN
Vice-President and General Counsel

Canadian Head Office: OTTAWA

HARRY D. WRIGHT
Third Vice-President and Manager for Canada

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

Company Earnings Reports

Donnacona

Net earnings of Donnacona Paper Co. for 1935 were practically stationary, as higher costs offset an increase of about 11 per cent in newsprint and about 25 per cent in insulating board sales. By reducing the reserve for depreciation and depletion by about 25 per cent, the company was able to set up an appropriation of $65,840 for bond interest, which it is proposed shall not be paid in cash, but in newly authorized Class A shares of the company.

The only change of interest in the balance sheet is a sharp increase in accounts payable, which is reflected in the jump in pulpwood on hand from $95,732 to $257,438.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross earnings	207,075	206,522
Less: Depreciation	147,890	175,000
Depletion	......	30,933
Interest approp.	65,840	......
Balance	*6,655	529
Previous balance	6,740	6,254
Tax adjustment	85	43
Carried forward	......	6,740

*Deficit.

Working Capital

	1935	1934
	$	$
Current assets	1,073,002	849,992
Current liabilities	339,827	144,374
Working capital	733,175	705,618

B. C. Packers

Despite a small deficit of B. C. Packers in the profit and loss account, President H. R. MacMillan states in the annual report the outlook is distinctly promising. The Skeena River run was disappointing in 1935 and the sockeye surprisingly small. The total pack met expectations, however.

To utilize both plant and organization in the idle winter season the company has begun the manufacture of a dog food which has received favorable reception. During the year $44,000 was paid off the first mortgage sinking fund debentures and these have already been reduced a further $15,000 in 1936. Another $15,000 will be written off later in the year.

Working capital has improved. Inventories at $1.8 millions are $200,000 higher. Bank loans of $1.1 millions are secured by $1.1 millions of second mortgage debentures. Fixed assets at $3.6 millions after depreciation do not represent realizable or replacement values but are the result of past appraisals.

Income and Deficit Account
Years Ended Dec. 31

	Dec. 31 1935	Dec. 31 1934
	$	$
Net oper. profit	218,491	225,960
Less: Dir. fees & remuner.	2,325	6,843
Man. & exec. fees	26,683	†
Legal fees & exp.	1,033	†
Net earnings	188,450	219,317
Less: Depreciation	200,000	221,858
Int. on debs.	15,884	14,938
Prov. for taxes	1,716	708
Reorgan. exp.	3,100	....
Net loss	32,250	18,187
Prev. deficit	3,801,534	3,360,542
Add: Addit. deprec.	570,813	....
Misc. w/o	....	408,365
Less: Reorgan. credit.	4,172,347	....
Misc. credits	....	5,560
Deficit forward	32,250	3,801,534

†Previously deducted.

Working Capital

	1935	1934
	$	$
Current assets	1,969,218	1,788,084
Current liabilities	1,821,408	1,794,253
Working capital	147,810	*6,169
Ratio	1.08—1	0.99—1

*Excess of current liabilities over current assets.

Acadia Sugar

Acadia Sugar's net income for 1935 was somewhat less than in the previous year, but owing to lower charges for depreciation and bond interest, net profit at $237,633 showed an increase of about $54,000 over 1934. This was sufficient to take care of the dividend on the preferred stock, whereas in 1934 there was a small deficit after dividend payments.

The balance sheet reflects a number of changes brought about, in part, by new financing undertaken by the company last year. The general mortgage bonds were called for redemption on July 1 last, while the first mortgage bonds were called for redemption on January 1, 1936. Of these bonds, there were outstanding at the time of the report, December 28, $765,995. The bonds have been replaced with a new issue of 4½ per cent first mortgage bonds amounting to $1.5 millions.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Net earnings	550,028	585,944
Less: Depreciation	204,801	279,249
Bond interest	107,594	133,174
Net profit	237,633	173,521
Less: Pref. divds.	179,997	179,997
Bond discount	173,195	
Balance	*115,559	*6,476
Previous balance	503,721	510,197
Balance forward	388,162	503,721

*Deficit.

Working Capital

	1935	1934
	$	$
Current assets	2,029,259	1,515,792
Current liabilities	601,589	319,451
Working capital	1,427,670	1,196,341

Electrolux

Electrolux Corp., recently listed on the Montreal Stock Exchange, reports net earnings after all charges of $2.8 millions in 1935, equivalent to $2.27 a share on the capital stock. This compares with net profit of $1.9 millions, or $1.53 a share in 1934.

The 1935 balance sheet shows assets totalling $7.2 millions as against $5.2 millions in 1934. The increase was largely in accounts receivable, which advanced from $3 millions to $4.3 millions, while inventories were up from $805,197 to $1.1 millions.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Net oper. profit	3,297,907	2,217,729
Interest received		305
Miscel. income	87,834	49,835
	3,385,742	2,267,869
Deduct:		
Depreciation	45,303	27,269
Amortiz. of patents	29,412	29,412
Interest	10,899	7,283
Loss on sale of assets	623	1,765
Income tax prov.	491,700	305,800
	577,937	370,930
Net profit	2,807,804	1,896,940

United Amusement

Net revenues of United Amusement Corp. recorded a further increase in 1935 compared with 1934. After all charges, there was a net profit of $72,095, equivalent to approximately 96 cents a share on the common stock. Following the payment of the regular dividend of 50 cents a share, there was a surplus of $21,359 as against a deficit of $2,869 in the previous year.

The balance sheet shows further strengthening. There was a reduction in the old outstanding funded debt which, since the beginning of the year, has been redeemed and replaced with a new issue of $1,250,000 of first mortgage bonds, carrying a lower rate of interest. In addition the company redeemed a mortgage of $50,000. This is reflected among the assets in the liquidation of $40,000 of Dominion of Canada bonds.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross income	309,092	272,260
Less: Expenses	81,293	77,892
Depreciation	75,932	76,806
Interest	71,972	76,799
Bond discount	7,800	800
Net income	72,095	37,961
Less: Taxes	13,553	3,646
Dividends	37,183	37,184
Surplus	21,359	*2,869
Previous surplus	790,866	796,247
Adjustments	......	2,512
Surplus forward	812,225	790,866

*Deficit.

Working Capital

	1935	1934
	$	$
Current assets	193,164	191,198
Current liabilities	50,902	39,717
Working capital	142,262	151,461

B. C. Telephone

British Columbia Telephone Co. reports earnings of $7.67 a share in 1935 compared with $7.03 a share in the previous year. The increase was largely due to a smaller appropriation for depreciation, as net earnings were somewhat lower than in 1934.

The decline in net working capital was due in part to the extraordinary expenditures incurred by the company in connection with a bad snow and sleet storm in the Fraser Valley. Replacement work necessitated by this storm cost the company $150,000.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Operating revenue	4,718,915	4,563,728
Less: Maint., oper. exps., benefit fund, etc.	2,398,081	•2,356,512
Directors' fees	9,000	‡
Legal expense	12,982	•
Exec. salaries	77,233	•
Dom., prov. & munic. taxes	344,268	295,309
Net oper. earnings	1,877,351	1,911,907
Add: Int. on invests.	114,672	85,650
Int. on sav. acct. & misc. revenue	22,470	59,160
Net earnings	2,014,493	2,056,717
Less: Depreciation	792,710	866,407
Bond int., incl. prem.	506,050	501,548
Amort. bd. disct. & exp.	35,065	35,065
Employees' sav. plan int.	5,296	7,144
Net profit	675,372	646,553
Less appropriations:		
Preference divds.	60,000	60,000
Pref. divds.	270,000	270,000
Ordinary divds.	337,500	328,250
Surplus for year	7,872	†9,697
Add: Prev. surp.	422,284	431,981
Bal. carried forward	430,156	422,284

†Deficit. *Not shown prior to 1935; presumably deducted before operating revenue in 1934. •Including $29,000 directors' salaries and fees. ‡Included in maintenance, operating expenses, benefit fund, etc.

Working Capital

	1935	1934
	$	$
Current assets	1,791,433	2,414,190
Current liabilities	237,019	176,156
Working capital	1,544,414	2,238,034

Saguenay Power

Saguenay Power Co. (formerly Duke-Price Power Co.) reports a consolidated net income in 1935 of $670,727, equal to $3.19 a share on the common stock as against $3.11 in 1934. After payment of dividends of $2 a share, as against $3 a share in the previous year, an amount of $250,727 was added to earned surplus.

The balance sheet shows bonded indebtedness has been reduced from $35,529,000 to $35,269,000, while notes payable have declined from $2,450,000 to $2,100,000.

Income and Surplus Account
For Years Ended December 31

	1935	1934
	$	$
Operating revenue	4,423,468	4,336,736
Expenses and taxes	773,698	713,267
Add: Other income	20,503	31,650
Net revenue	3,670,273	3,655,119
Less: Depreciation	672,467	671,437
Interest	2,327,079	2,329,684
Net profits	670,727	653,997
Less: Dividends	420,000	630,000
Surplus	250,727	23,997
Previous surplus	2,798,472	2,745,890
Add disc. on bonds	5,868	28,585
Surplus forward	3,055,067	2,798,472

Working Capital

	1935	1934
	$	$
Current assets	2,135,336	1,981,959
Current liabilities	805,439	675,345
Working capital	1,329,897	1,306,614

Saguenay Electric

Financial returns of the Saguenay Electric Co., subsidiary of Saguenay Power Co., were much the same in 1935 as in the previous year. After all charges, there was a net loss of $20,125, compared with $18,773 in 1934.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross revenue	240,516	231,466
Less: Expenses	138,585	135,730
Net revenue	101,931	95,736
Less: Bond interest	69,190	71,060
Other interest	5,080	4,920
Bond discount	6,144	......
Depreciation	41,643	38,424
Bad debt reserve	....	105
Deficit	20,125	18,773
Previous deficit	25,539	23,303
Profit on bonds red.	14,457	16,536
Deficit forward	31,208	25,540

Working Capital

	1935	1934
	$	$
Current assets	80,229	129,679
Current liabilities	71,520	77,429
Working capital	8,709	52,250

Ottawa Power

Ottawa Light, Heat and Power's net operating income in 1935 was slightly larger than in 1934, while net profits available for dividends were $10,721 short of covering the distribution on the common stock. This compares with a deficit of $31,901 after dividends in the previous year.

The balance sheet reflects changes brought about in the valuation of the fixed assets. In the 1934 accounts fixed assets, franchises, goodwill, etc., were bulked together at $12,619,480. In the current report the depreciated replacement value of fixed assets is placed at $7,805,097 and franchises, rights, etc., at $1,780,562. In effecting this adjustment the capital reserve of $1.5 millions and the reserve for depreciation were applied against the book value of the physical assets.

During the year $65,000 of the company's bonds were redeemed.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross revenue	981,787	......
Less: Legal fees	867	......
Exec. salaries	22,040	......
Net revenue	958,880	927,800
Less: Directors' fees	3,795	4,500
Taxes	216,613	210,167
Bond interest	237,313	241,204
Bond discount	36,224	26,309
Foreign exchange	4,042	......
Prem. S. F. bonds	2,844	......
Appraisal expense	1,230	......
Depreciation	170,000	170,000
Net income	296,779	275,599
Less: Preferred divd.	97,500	97,500
Common divd.	210,000	210,000
Surplus	*10,721	*31,901
Prev. surplus	583,542	631,961
Add: Adjustments	53,082	‡16,519
Surplus forward	625,903	583,541

*Deficit. ‡Deduction.

Working Capital

	1935	1934
	$	$
Current assets	689,688	643,698
Current liabilities	305,866	355,685
Working capital	383,822	288,013

Canada Northern

Canada Northern Power Corp. reports an increase in consolidated earnings for 1935 as compared with 1934. Earnings on the common stock were equal to $1.89 a share as against $1.70 in 1934.

The consolidated balance sheet shows a substantial increase in net working capital. Cash more than doubled during the year, while investments increased nearly $200,000 to $947,006. Of the latter, marketable securities amounted to $437,669 and a market value of $456,320, while other investments are carried at book value, less reserve, of $509,336. During the year the company reduced its funded debt by nearly $200,000, while there was a further reduction in the outstanding underlying securities.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross revenue	4,418,487	......
Less: Legal fees	3,292	......
Exec. salaries	28,313	......
Net revenue	4,386,872	4,166,303
Less: Oper. exps.	1,400,656	1,453,573
Directors' fees	14,300	......
Bad debt reserve	4,530	4,807
Net income	2,967,396	2,707,923
Less: Depreciation	720,000	720,000
Income taxes	201,248	......
Bond interest	818,676	840,885
Interest on deposits	5,609	......
Net profit	1,221,862	1,147,038
Less: Sub. stk. divds.	96,237	95,143
Pref. divds.	385,000	385,000
Common divds.	480,000	400,000
Surplus	260,625	271,125
Previous surplus	957,106	1,477,857
Less: Net adjusts.	12,379	11,923
Surplus forward	1,205,352	*1,732,829

*Includes $775,723 acquired surplus of subsidiaries.

Working Capital

	1935	1934
	$	$
Current assets	2,150,639	1,616,075
Current liabilities	972,921	960,523
Working capital	1,177,718	655,552

Borden Co.

Sales of Borden Co. in 1935 in the fluid milk division were higher than in 1934 despite chaotic condition of the Chicago milk market, higher taxes and farm and labor strikes in certain markets.

Actual earnings were $1.10 a share as compared with $1.02 a share in 1934. Before depreciation earnings were less on account of the higher cost of doing business but write-off to depreciation of $1 million less than in 1934 more than made up the balance.

Working capital was very strong, cash alone exceeding all current liabilities. Marketable securities were worth $5.5 millions.

Cons. Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Net sales	229,888,089	215,723,659
Cost of sales & exp.	217,748,879	203,239,213
	12,139,210	12,484,446
Add: Other inc. (less int.)	339,559	395,900
Net earnings	12,478,769	12,880,346
Less: Depreciation	6,481,667	7,502,982
Income taxes	1,020,946	887,319
Maint. expend.	133,808	....
Net profit	4,842,348	4,490,045
Less: Dividends	7,034,726	7,034,726
Deficit for year	2,192,378	2,544,681
Less: Prev. surplus	22,474,064	25,018,745
Surplus forward	20,281,686	22,474,064

Working Capital

	1935	1934
	$	$
Current assets	53,154,264	56,561,010
Current liabs.	12,350,431	13,228,322
Working capital	40,803,833	43,332,688
Ratio	4.30—1	4.28—1

Can. Western Natural Gas

Higher sales of gas and great improvement in working capital position features the annual report of Canadian Western Natural Gas, Light, Heat & Power Co. for 1935. Taxes were higher and cost of doing business greater.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Sales of gas	2,219,727	1,915,626
Add: Other inc.	47,045	47,997
Total income	2,266,772	1,963,623
Less: Cost of gas, distrib., oper. & admin. exp.	1,225,248	959,321
Net earnings	1,041,524	1,004,302
Less: Interest	13,289	14,879
Depreciation	26,408	26,041
Bad debts res.	16,692	16,345
Taxes, res.	257,592	242,935
Amortization res.	120,395	119,273
Accr. int. on amort.	87,675	79,866
Other expenses	....	60,307
Net profit	519,473	444,656
Less: Pref. divs.	182,137	172,016
Com. divs.	240,000	160,000
Pension allowance	....	9,375
Trans. to cap. red. res. fund	70,000	70,000
Surplus for year	27,336	33,265
Add: Prev. surplus	184,481	151,216
Amort. adj.	22,129	....
Other credits	14,594	....
Less: Trans. to res.	182	....
Balance forward	248,358	184,481

Working Capital

	1935	1934
	$	$
Current assets	834,960	528,334
Current liabilities	279,817	681,810
Working capital	555,143	‡153,476
Ratio	2.98—1	0.77—1

‡Excess of current liabilities over current assets.

Prince Edward Hotel Co.

Prince Edward Hotel Co. of Windsor, under management of National Trust Co., trustee for the bondholders, showed a substantial surplus over taxes and expenses in 1935. The improvement is continuing, due largely to transient trade, the trustee states. If expectations of hotel officials of improved business this year are realized, the question of reorganization will be taken up with holders of the $715,000 of 7½ per cent first mortgage bonds.

Income Account
Years Ended Dec. 31

	1935	1934
	$	$
Revenue	266,018	228,784
Less: Oper. exps.	225,999	200,333
Taxes	18,528	23,208
Profit before int. & depr.	21,491	5,243

G. Tamblyn Ltd.

Increased sales enabled G. Tamblyn Ltd. to earn higher profits in 1935, net profit for the year amounting to $124,084 as against $100,333 in 1934. After payment of preferred dividends and providing for the cost of preferred shares purchased for redemption, $64,268 was added to surplus. Earnings on the common stock were equivalent to $3.27 per share, compared with $2.38 in 1934.

Despite the redemption of 249 preferred shares, working capital shows improvement, amounting to $791,778 as compared with $715,537 in the previous year. A further 1,500 shares have been called for redemption at $110 per share on April 1, 1936. This will reduce the amount of preferred outstanding to $302,000.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Operating profit	206,572	174,114
Interest on bonds	6,798	9,169
Net earnings	213,370	183,283
Less: Int. chgs.	3,832	4,726
Depreciation	48,932	48,344
Amort. of leases, etc.	12,714	14,246
Prov. for inc. tax	23,808	15,634
Net profit	124,084	100,333
Less appropriations:		
Preferred divds.	32,422	33,569
Cost of pref. stock purch.*	27,394	25,022
Surplus for year	64,268	41,742
Add: Previous surplus	513,058	669,069
Less: Cost of pref. stock purch. prior to Dec. 31, 1933*	....	197,753
Bal. carried forward	577,326	513,058

*Transferred to capital surplus.

Working Capital

	1935	1934
	$	$
Current assets	1,111,691	981,713
Current liabilities	319,913	266,176
Working capital	791,778	715,537
Ratio	3.48—1	3.69—1

British American Oil Co. Will Redeem 1945 Fives

Will Pay for Them by Issue of 8-year Serial Debentures at Large Interest Saving — Provides for Quick Payment

Announcement that British American Oil Co. intends to call $4.1 millions of five per cent sinking fund debentures due 1945 at 103 interests the market. They will be replaced by eight-year serial debentures bearing interest at the rate of 2½ per cent for the first five years and three per cent for the remaining three years.

At 103 the company would have to pay more than $4.2 millions to call in these debentures and if it paid the full amount out of proceeds of the new eight-year debentures sold at par the interest paid would be $105,525 in the first year and less in each succeeding year by the interest saved on the amount of serial debentures redeemed. The debentures might, of course, be sold for a shade under par and still show considerable advantages.

Big Savings Foreseen

At present the company pays about $211,150 in interest and about $180,000 in redeeming debentures, or $391,150 in all. The new conversion would enable it to set aside $285,000 yearly toward redeeming the new debentures without adding to the amounts now expended. If the serial bonds fall due in equal amounts of $525,000 more than half is paid by this saving. If one adds the interest saved each year, there would be in eight years a redemption of $2.6 millions of the total of $4.2 millions debentures as a result of financing alone. In other words, the company would only be called on to provide $1.6 millions of new money over the eight-year period.

Brings in Eight Wells

No action is apparently intended with reference to the $4 millions of four per cent sinking fund debentures issued early in April.

The company has not yet decided on date of the annual meeting, it is understood. Full details of the new debentures are not yet settled but the Street believes underwriter and purchasers are already arranged. But 70 days notice must be given to debentureholders.

CANADA PACKERS EDMONTON PLANT STARTS AT ONCE

Cost $750,000 to $800,000; New Bonds Marketed Privately

Work is starting as soon as weather permits, possibly next week, on the new Edmonton plant of Canada Packers Ltd. Cost is estimated between $750,000 and $800,000, and the plant is to be completed early in September.

Bird Construction Co., Moose Jaw, has the contract for the plant. Eric Arthur, Toronto architect, has designed the building which will be the last word in packing house construction and equipment. In outward appearance it is expected the structure will exhibit beauty of design seldom attempted in a meat-packing plant.

The new plant will be used for killing and dressing both cattle and hogs. Capacity will be 600 cattle and 3,000 hogs a week.

Details of New Bonds

The company redeemed $5¾ millions of seven per cent preferred stock at 110 on Jan. 1, 1936, and this has been replaced by $3 millions of serial bonds and $3 millions of 10-year bonds. The serial bonds were bought chiefly by insurance companies and the 10-year, four per cent issue was taken up by former holders of the preference shares. No public offering was made.

One effect of issuance of bonds instead of stock is to save the company money on its annual fixed charges. Another is to save on income taxation, since interest is deductible from taxable revenue, whereas dividend payments are not. Brief details of the new bonds follow:

Canada Packers Limited
Serial Bonds Dated Jan. 2, 1936
$750,000 3% bonds, due Jan. 2, 1937.
$750,000 3⅛% bonds, due Jan. 2, 1938.
$750,000 3¼% bonds, due Jan. 2, 1939.
$750,000 3⅜% bonds, due Jan. 2, 1940.
Ten-year Issue, Dated Jan. 2, 1936
$3,000,000 4% bonds, due Jan. 2, 1946.

Charles Gurd and Co. Considers Dividend Policy

From Our Own Correspondent

MONTREAL.—Directors of Charles Gurd & Co. have under consideration formation of a programme of periodic redemption of the company's preferred and distribution of common dividends, when earned, but before this plan can be put into operation a cash reserve of not less than $50,000 must be built up, according to a statement made at the annual meeting by Alex. McA. Murphy.

During the first two months of the current year, Mr. Murphy told the shareholders, there has been a substantial improvement in operating results, a small profit replacing the operating loss sustained a year ago. The burden of taxation remained extremely heavy, he stated, last year's payments being equal to fully $1 per share on the common.

SIN-MAC LINES ARRANGES SALE OF LAST ASSETS

Bondholders' Meeting Is Called to Consider Sale of Properties

From Our Own Correspondent

MONTREAL.—Plans for the disposal of the remainder of Sin-Mac Lines' assets and the distribution of capital to the bondholders, is seen in the announcement calling a meeting of bondholders for March 30.

The bondholders will be asked to vote on an offer received from Joseph Simard, to purchase for $70,000 the remaining physical assets, including all floating equipment, real estate, stores, inventories, etc., at Sarnia, Port Arthur, St. Ignace Island and Isle Royale. This offer does not cover or include cash, securities and receivables held by the company.

Offered $16,500 for Tug

Consideration also will be given by the bondholders to the acceptance of an offer of $16.500 by Lloyd's Refinery Ltd. for the tug "Muscallonge." With the approval of the sales, the company will no longer have any physical assets and it is the proposal of the bondholders' protective committee to distribute the proceeds of the sales to the bondholders.

A year ago last January the bondholders approved the sale of a major share of the company's assets in Eastern Canada to Joseph Simard. From this sale the bondholders received $15 in cash and 1 share of no par value common stock in the newly-formed Sincennes-McNaughton Trust Ltd. for each $100 par value of bonds held.

Distribute the Balance

At the moment it is difficult to tell how much will be distributed to the bondholders from the proposed current sales, as from the gross amount received the expenses of the bondholders' protective committee and other charges will have to be deducted.

There are outstanding $1,374,000 of first mortgage bonds. In addition there are issued $906,000 of preferred stock and 53,120 shares of no par value common stock. There will be nothing available for distribution on either class of the capital stock.

N. B. POWER CO. OFFERS TO SELL

From Our Own Correspondent

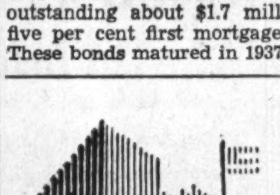
MONTREAL. — New Brunswick Power Co. will sell its assets to the city of Saint John for $3,250,000 and a purchase option along those lines has been given to the City Council.

Conditions in the Saint John utility field have been unsatisfactory for several years. New Brunswick Power Co. has operated a power generating and distribution system, as well as the tramway system. The city has been competing for the light and power business, with the result that there has been excessive duplication of facilities, rate cutting, etc. The net result has been that neither the publicly owned nor the privately owned system has been able to carry on profitably.

Company Makes Move

New Brunswick Power Co. has been faced with the necessity of carrying out additional capital expenditures but was adverse to adopting such a programme while the present competitive situation existed. Consequently negotiations were opened with the city with a view to having the latter purchase the privately owned system.

Another problem of the company is its funded debt. At the end of 1934 New Brunswick Power had outstanding about $1.7 millions of five per cent first mortgage bonds. These bonds matured in 1937.



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RANDOLPH AT LA SALLE
CHICAGO

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, pf.	$1.75	Apr. 1	Mar. 16
Acme Glove pf.•	95c	Apr. 1	Mar. 31
Do., arrears	56¼c	Apr. 1	Mar. 31
Assoc. Brew.	15c	Mar. 31	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Amer. Cyanamid, A	15c	Apr. 1	Mar. 14
Do., B	15c	Apr. 1	Mar. 14
Brit. Amer. Assur.	$1.25	Apr. 1	Mar. 24
Br. Amer. Oil	20c	Apr. 1	Mar. 16
Bell Telephone	$1.50	Apr. 15	Mar. 23
Brazil T. L. & P., p.	$1.50	Apr. 1	Mar. 16
B. C. Power	40c	Apr. 15	Mar. 31
Bright, T. G.	7½c	Mar. 14	Feb. 29
Do., pref.	$1.50	Mar. 14	Feb. 29
Bk. of N.S.	$3	Apr. 1	Mar. 16
Biltmore Hats, pf.	$1.75	Mar. 14	Feb. 15
Belding-Cort.	$1	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Burt, F. N. c.	50c	Apr. 1	Mar. 10
Do. pref.	$1.75	Apr. 1	Mar. 10
Can. Bread, 1st pf.	$1.25	Apr. 1	Mar. 14
Can. Celanese	40c	Mar. 31	Mar. 17
Do., pfd.	$1.75	Mar. 31	Mar. 17
Do., partic.	95c	Mar. 31	Mar. 17
Do., inc. pd. rights	$1	Mar. 31	Dec. 31
Canada Malting	37½c	Mar. 16	Feb. 29
Can. North Pwr., c.	30c	Apr. 25	Mar. 31
Do., pf.	$1.75	Apr. 15	Mar. 31
Can. Packers, c.	75c	Apr. 1	Mar. 14
Can. For. Invests. c.	40c	Apr. 1	Mar. 14
Do., pf.	$2	Apr. 1	Mar. 14
Cariboo Gold	2½c	Apr. 1	Mar. 7
Cons. Bakeries	20c	Apr. 1	Mar. 16
Can. Gen. Elec., c.	$1.25	Apr. 1	Mar. 14
Canadian Oil, pf.	$2	Apr. 1	Mar. 20
Crown Life, extra	‡25%	Mar. 20	Feb. 12
Can. Indust. A & B	$1	Apr. 30	Mar. 31
Do., pref.	$1.75	Apr. 15	Mar. 31
Consumers' Gas	$2.50	Apr. 1	Mar. 14
Cosmos Imp.	20c	May 15	....
Can. Perm. Mtge.	$2	Apr. 1	Mar. 14
Can. Westinghouse	50c	Apr. 1	Mar. 20
Can. Wire Box, A	*25c	Apr. 1	Mar. 16
Celanese of Am. p.	$1.75	Apr. 1	Mar. 17
Do., part., pfd.	$3.50	Dec. 31 '35	Dec. 17
Do., participating	68c	Apr. 1	Mar. 17
Cent. Can. Loan	$2	Apr. 1	Mar. 20
Cosmos Imp. p. new	$1.25	July 15	....
Can. Canners 1st p.	$1.50	Apr. 1	Mar. 14
Dominion Glass, c.	$1.25	Apr. 1	Mar. 16
Do., pf.	$1.75	Apr. 1	Mar. 16
Dom. Textile	$1.25	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 15	Mar. 31
Dominion Coal, pf.	75c	Apr. 1	Mar. 15
Dominion Bank	$2.50	Apr. 1	Mar. 20
Dome Mines	50c	Apr. 20	Mar. 31
East. Twps. Tel.	18c	Apr. 15	Dec. 31
Electrolux	40c	Mar. 16	Feb. 27
Do., extra	10c	Mar. 16	Feb. 27
East. Steel, pfd.	$1.75	Apr. 1	Mar. 16
Fanny Farmer	12½c	Apr. 1	Mar. 16
Falconbridge N.	7½c	Mar. 26	Mar. 10
Goodyear Tire	62c	Apr. 1	Mar. 14
Do., pref.	62½c	Apr. 1	Mar. 14
Ham. Cottons, pf.	50c	Apr. 1	Mar. 16
Huron & Erie Mtge.	$1.25	Apr. 1	Mar. 14
Ham. Un. Theat. pf.	$1	Mar. 31	Feb. 29
Hinde & Dauch	12½c	Apr. 1	Mar. 14
Hollinger Gold	5c	Mar. 24	Mar. 9
Do., extra	5c	Mar. 24	Mar. 9
Imp. Tobacco, pf.	3%	Mar. 31	Mar. 13
Do., ord.	8½c	Mar. 31	Mar. 13
Do., final	17½c	Mar. 31	Mar. 31
Int. Power, 1st pf.	$1.50	Apr. 1	Mar. 14
Inter. Nickel, pref.	$1.75	May 1	Apr. 1
Int. Nickel, c.	25c	Mar. 31	Mar. 2
Do., pf.	$1.75	May 1	Apr. 1
Inter. Mining	15c	Mar. 20	Feb. 29
Kirk. Lake G.	3c	Apr. 30	Apr. 9
Lake Shore M.	50c	Mar. 16	Mar. 2
Do., extra	50c	Mar. 16	Mar. 2
Landed Bank	$1.25	Apr. 1	Mar. 14
Louisiana L.	10c	Mar. 16	Mar. 6
Mercury Oils	3c	Apr. 1	Feb. 29
McColl-Fron. pf.	$1.50	Apr. 15	Mar. 31
McColl-Fron., c.	20c	Mar. 14	Feb. 15
Montreal Cot. pfd.	$1.75	Mar. 15	Feb. 29
Mitchell, J. S., pfd.	$1.75	Apr. 1	Mar. 16
Monarch Knit., pf.	$1.75	Apr. 1	Mar. 14
Mtl. Loan & Mtge.	50c	Mar. 16	Feb. 29
Mtl. City & Dis. Bk.	$3.00	Apr. 1	Mar. 14
Moore Corp. A, pf.	$1.75	Apr. 1	Mar. 10
Do., B, pf.	$1.75	Apr. 1	Mar. 10
Do., C	25c	Apr. 1	Mar. 10
National Trust	$2	Apr. 1	Mar. 21
Nat. Biscuit, com.	40c	Apr. 15	Mar. 13
Neon P. of W. Can. pf.	$1.50	May 1	Apr. 15
National Brew., c.	50c	Apr. 1	Mar. 16
Do., pf.	44c	Apr. 1	Mar. 16
New Eng. Pr., pf.	$1.50	Apr. 1	Mar. 10
Nor. Can. Mining	2c	May 1	Apr. 11
Ont. Loan & Deb.	$1.50	Apr. 1	Mar. 16
Ont. Silknit	$1.75	Mar. 16	Feb. 29
Ottawa Traction	50c	Apr. 1	Mar. 14
Paton Mfg.	$1.75	Mar. 15	Feb. 29
Penmans	75c	May 15	May 5
Do., pref.	$1.50	May 1	Apr. 21
Pickle Crow†	5c	Mar. 31	Mar. 15
Power Corp., pf.	$1.50	Apr. 15	Mar. 31
Do., 2 pf.	75c	Apr. 15	Mar. 31
Premier Mines	3c	Apr. 15	Mar. 12
Do., extra	1c	Apr. 15	Mar. 12
Page Hersey	75c	Apr. 1	Mar. 14
Pioneer Gold	20c	Apr. 1	Mar. 2
Pressed Metals	25c	Apr. 1	Mar. 16
Do., extra	12½c	Apr. 1	Mar. 16
Reno Gold	3c	Apr. 1	Mar. 10
Second Std. R'lties	1c	Apr. 1	Mar. 16
Sher.-Williams, p.	▲$1.75	Apr. 1	Mar. 15
Sylvanite	5c	Mar. 31	Feb. 22
Reliance Grain, pf.	$1.62½	Mar. 14	Feb. 29
R. S. Mills, A	50c	Apr. 1	Mar. 14
Siscoe Gold	5c	Mar. 14	Feb. 29
Do., extra	1c	Mar. 14	Feb. 29
South. Can. Pwr.	$1.50	Apr. 15	Mar. 20
S. Am. Gold & Pl.	10c	Mar. 30	Mar. 18
Std. Fuel, pfd.	$1.62½	Apr. 1	Mar. 14
Sunshine Min.	50c	Mar. 30	....
Third Can. Gen. Inv. Tr.	8c	Mar. 16	Feb. 29
Tor. Gen. Ins.	25c	Mar. 15	Feb. 29
Teck-Hughes	10c	Apr. 1	Mar. 10
Tamblyn, pfd.	$1.75	Apr. 1	Mar. 21
Toronto Elev., pf.	$1.75	Apr. 15	Apr. 1
Toronto Mtge.	$1.50	Apr. 1	Mar. 14
Un. Secs.	50c	Apr. 15	Mar. 26
Walker-Good.	50c	Mar. 16	Feb. 28
Do., pref.	25c	Mar. 16	Feb. 28
West. Assur., c.	$1	Apr. 1	Mar. 24
West. Grocers, c.	50c	Apr. 15	Mar. 20
Do., pref.	$1.75	Apr. 15	Mar. 20
West. Koot. Pr. pf.	$1.75	Apr. 1	Mar. 19
Westminster Paper.	20c	May 1	....
W. Hargraves	10c	Apr. 1	Mar. 10
Do., extra	5c	Apr. 1	Mar. 10

†Initial.
▲For quarter ending May 31, 1934.
•Includes adjustment of 13¾c. for 3½ months ended Mar. 31, 1936; previous payments made Mar., June, Sept. and Dec. 15.
‡On paid-up value.
*On arrears.

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BONDS STOCKS

AUSTRALIA and NEW ZEALAND.
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which are amalgamated the Western Australian Bank & The Australian Bank of Commerce Ltd.)

Paid-up Capital	£8,780,000
Reserve Fund	6,150,000
Reserve Liability of Proprietors	8,780,000
	£23,710,000
Aggregate Assets 30th Sept., 1935	£115,559,000

A. C. DAVIDSON, General Manager.

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Gold Standard
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MADE FOR THOSE WHO LIKE A HIGH GRADE ENGLISH CIGARETTE

PROTECTIVE OF GRANBY
Maintains Strong Liquid Position
BALANCE SHEET
As at 31st December, 1935

ASSETS

CASH IN BANKS		$ 13,848.27
AGENTS' NET BALANCES FOR OUTSTANDING PREMIUMS		15,721.20
COMMISSION DUE BY "MONARCH" BRANCH		179.29
INVESTMENTS:		
Bonds and Debentures at Book Values	$248,867.96	
Accrued Interest	2,405.38	
		251,273.34
(Approximate Value as allowed by Department of Insurance as at 31st December, 1935, $254,025.00)		
OFFICE FURNITURE—Less Depreciation		1,550.32
		$282,572.42

LIABILITIES

CLAIMS OUTSTANDING:			
Known or Reported—Proof not fyled:			
Accident		$14,713.57	
Sickness		20,830.85	
Reserve for Claims originating in 1935 Not Reported		10,000.00	
			45,544.42
ACCRUED SALARIES			2,474.98
RESERVE FOR TAXES			10,000.00
RESERVE FOR UNEARNED PREMIUMS (100%)			61,156.14
CAPITAL STOCK AND SURPLUS:			
Capital Stock—Authorized	$50,000.00		
Issued fully paid		$ 50,000.00	
Surplus		113,396.88	
			163,396.88
			$282,572.42

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Ghastly Shrinkage of Unpaid Accounts

The table below summarizes the findings of the Credit Executive of one of the largest institutions in the world, after a test covering hundreds of thousands of accounts. We believe these figures to be sound. Our own experience indicates they are even *conservative*.

An Account Past Due	*Diminishes*	*And Is Then Worth Only*
90 Days	10%	90c on the Dollar
4 Months	15%	85c on the Dollar
5 Months	25%	75c on the Dollar
6 Months	50%	50c on the Dollar
1 Year	70%	30c on the Dollar
2 Years	80%	20c on the Dollar
3 Years	90%	10c on the Dollar
5 Years	100%	00c on the Dollar

Obviously, the longer it takes to collect money for goods shipped, the less you get.

Obviously also, the longer an account is past due, the less *likely* you are to get anything, because customers who let their accounts lag, enter into a progressive state of unreliability. Therefore it is very unwise to consider past due accounts worth their face value.

Credit Insurance

stops this shrinkage before it starts. You file covered accounts *before* they are 60 days past due—before the period of shrinkage sets in—and they are payable as collected, or if not collected then as *losses*, precisely as if debtor were insolvent, bankrupt, in receivership.

Credit Insurance protects you absolutely against excessive Bad Debt Losses—keeps your capital liquid and *intact*.

Our policies cover a wide range—General Coverage to Individual Debtors. Written to meet *today's* conditions.

Bankers, Auditors, Credit Men endorse Credit Insurance.

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AMERICAN·CREDIT
INDEMNITY COMPANY
of New York — J. F. McFadden, *President*

F. A. REID, *General Agent*, 503 Canada Cement Building, *Phone:* LA. 3258-3259, MONTREAL, QUEBEC, CANADA
T. F. McOUAT, *General Agent*, 84 Montreal Street, *Phone:* Lennoxville 184-F, SHERBROOKE, QUEBEC, CANADA
C. A. MULLEN, *General Agent*, The Metropolitan Building, *Phone:* ELgin 9308, TORONTO 2, ONTARIO, CANADA

CREDIT INSURANCE EXCLUSIVELY SINCE 1893

LAPSED POLICY DIVIDENDS PAID BY NORTHWESTERN

Will Not Carry Saskatchewan Case to Higher Court

Policyholders of the Northwestern Mutual Fire Association who were paid a lower rate of dividends because they discontinued business with the company, are being paid the difference between the amount they received and the full rate.

The company has decided not to carry to a higher court the recent decision in Saskatchewan that the same rate of dividends applied whether or not the policy was allowed to lapse.

Dividend Policy

Late in 1933 the Northwestern's board of trustees passed a resolution that only a ten per cent dividend would be paid on policies covering risks in Canada which had lapsed. It is understood that this feature was withdrawn last November so that it was actually in effect slightly under two years. The Saskatchewan courts held recently that this was discrimination and ordered the full dividend paid to the party which instituted the action.

It was first reported that Northwestern would take the case to a higher court. This action has been dropped and the company is now going through its records to ascertain the policies on which additional dividends should be paid. Some cheques are already in the mail, and the rest will go forward in the near future.

Automobile Loss Ratio Hits 54 Per Cent in 1935

Loss ratio on all classes of automobile insurance written in Canada last year lived up to expectations in jumping still higher to 54.06 per cent of premiums written. In the previous year, the ratio was 51.40 per cent.

According to preliminary figures released by G. D. Finlayson, federal superintendent of insurance, net premiums written during the year were $11,963,879, an increase of 0.32 per cent over 1934, but losses were considerably higher at $6,469,728.

Fraternal Business Declines in 1935

A decline of $10 millions in fraternal insurance in force in Canada at the end of 1935 is indicated by preliminary figures released from Ottawa this week by the federal superintendent of insurance. The 1935 total is placed at $157.5 millions compared with $167.4 millions a year ago. The decline was almost entirely among Canadian fraternals as business in Canada of foreign fraternals remained virtually unchanged at the year-end at $50.6 millions.

No figure for new business placed during 1935 by the fraternals is available as yet. In 1934 new business written was $13.2 millions.

Agents' Balances 90 Days Overdue Show a Decrease

Agents' balances more than 90 days overdue at Dec. 31, 1935, as reported by the Ontario department of insurance amounted to $255,631. Of this total, $235,842 was reported by insurance companies and the remainder by general agencies.

The total amount represents a decrease of $94,306 from the previous return made at the end of September, and a decrease of $37,340 from December, 1934. The number of agents listed also shows substantial decline. At the end of last year, 788 had balances more than 90 days overdue. This compares with 1,058 last September and with 900 in December of the previous year.

Between the year end and the date the returns were filed with the department, $14,915 was paid in on overdue balances, but this amount has not been included in the above figures. The superintendent states that replies to a questionnaire indicate that a majority of the companies and general agents favor continuance of the reports.

Insurance Provides Living To 40,000 Persons in Canada

How many insurance agents are there in Canada? At the last annual census, 17,379 persons designated themselves as "insurance agents." This includes, of course, those writing life insurance and general insurance such as fire, automobile, casualty, etc.

Estimates compiled from provincial figures by association officials place the number of licenses issued at the present time (after elimination of overlapping) at 19,000, of which it is estimated that there are 16,000 persons tied up by contract with life insurance companies. Of this latter figure approximately 10,000 are said to be full-time agents.

An additional grouping would be the number of chartered life underwriters entitled to use the designation "C.L.U." This is placed currently at 577.

Others to be Added

In addition, the census of 1931 showed a further 3,080 persons who styled themselves insurance officials. This is exclusive, of course, of the number of stenographers, clerks and others who work in insurance offices but who are listed under their specific occupation.

Bringing all these figures together, the Dominion Bureau of Statistics estimates that approximately 39,457 persons were at the time of the census engaged in the insurance business in Canada.

New Business Life Companies Off 1 Per Cent

A decrease of less than one per cent in new insurance written and paid for in cash in Canada during 1935 is reported in preliminary figures released this week by G. D. Finlayson, federal superintendent of insurance at Ottawa.

The smallest decline was in ordinary business which dropped little more than a million dollars below the 1934 total of $431.2 millions. Industrial business was lower by $4 millions and group sales lower by $2 millions.

Business in force among all companies in Canada at the end of 1925 was reported to have made a gain of 0.6 per cent to something less than $6.3 billions.

Comparative figures as released by Ottawa, follow:

New Business Written	1935 $	1934 $
Ordinary	430,164,368	431,231,678
Industrial	140,280,250	144,031,679
Group	17,903,993	19,931,463
Total	588,348,611	595,194,820
Business in Force		
Canadian co's.	4,165,489,026	4,139,796,088
Br. & for'n. co's.	2,094,243,400	2,080,929,841
Total	6,259,732,426	6,220,725,929

New Licenses

The following companies have been licensed by the federal department of insurance to transact the classes of business named:

Commerce Insurance Co.—Fire, inland transportation, personal property, automobile, excluding insurance against loss by reason of bodily injury, tornado, hail, sprinkler leakage, limited or inherent explosion and civil commotion. Business in those classifications subsequent to automobile are limited to properties insured by the property against fire. G. B. Kenney, Toronto, has been appointed Canadian chief agent.

North Star Insurance Co.—Fire and falling aircraft, limited explosion, earthquake, hail, riot and civil commotion, sprinkler leakage, tornado limited to properties insured by the company against fire. J. H. Pigeon, Montreal, has been appointed Canadian chief agent.

Yorkshire Insurance Co.—Machinery insurance, in addition to the classes for which it is already registered.

5% Interest
Guaranteed by Trust Deposits
CHAMPION - SIMMONS
Investment Corp. Ltd.
REGINA SASK.

Home Defers Leaving Underwriters' Assn.

The Home Insurance Co. which late last year submitted its resignation to the Canadian Underwriters' Association, has deferred its withdrawal for an indefinite period, The Financial Post is informed. It is understood the resignation, which would have become effective this month, was deferred in the belief that the points which the company raised will be taken care of by the Association.

Although reasons for the resignation have not definitely been stated, the belief is held that at the annual meeting of the Association last December, proposals were made which did not meet with the approval of the company. The Home was considered to have resigned largely to strengthen its bargaining position, putting forward certain conditions for re-entrance.

The situation in respect to the Dominion of Canada General Insurance Co., which also handed in its resignation last December, has not changed.

Insurance Inklings

ARTHUR B. WOOD, president and managing director of Sun Life of Canada and ARTHUR B. PURVIS, president of Canadian Industries, Ltd. and a director of Sun Life, were recently named members of the Royal Institution for the Advancement of Learning and governors of McGill University.

G. A. REID of London Life has been promoted from superintendent at Toronto Bloor agency to city manager at Ottawa. He has been with London Life nearly 11 years.

H. T. WRIGHT, of Chicago, chairman of the Million Dollar Roundtable, and a member of the board of the National Association of Life Underwriters, will address the Life Underwriters' Association at Toronto on March 19.

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The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
TORONTO WINNIPEG REGINA CALGARY
WRITING FIRE AND WINDSTORM

Insurance Company Reports

Metropolitan Life

Total investments in Canada of $267.6 millions—an increase of $10 millions over the corresponding figure of 1934—is shown in the 1935 statement of Metropolitan Life Insurance Co. Of this total, over $180 millions is held on deposit with the receiver-general at Ottawa, solely for the protection of Canadian policyholders.

Comparative figures of new business issued and increased in Canada during 1935, show a total of nearly $181.7 millions, a decline from 1934 of five per cent. New business written and paid for in cash totalled $119.5 millions. As analyzed in The Financial Post last week, distribution of this total reveals an eight per cent increase in industrial business; a 72 per cent gain in group sales and a decline in ordinary business of 15 per cent.

Comparative figures for 1934 and 1935 follow:

New Insurance, Paid for in Canada	1935 $	1934 $
Ordinary	58,785,835	69,144,044
Industrial	58,300,991	53,763,750
Group	2,417,898	1,401,688
Total	119,504,724	124,309,462
Business in Force in Canada		
Ordinary	584,835,518	582,800,767
Industrial	380,046,360	372,836,553
Group	73,472,692	67,222,611
Total	1,038,354,570	1,022,859,931

The company's total business in force in Canada and the United States shows a gain in insurance in force of $779.5 millions. Total business in force is now in excess of $20.2 billions of which 51.8 per cent is ordinary business; 33.7 per cent industrial and 14.5 per cent group.

The company had 2,637,455 policies in force in Canada at the end of 1935 of which 2,195,597 were industrial contracts. Total payments to Canadian policyholders in 1935 amounted to $28.4 millions compared with $27.9 millions the previous year. Of this total, $5.2 millions was paid in policy dividends and slightly less than $5 millions in death claims.

Western Empire

Officers—
R. W. Craig, pres.; Brig. Gen. H. M. Dyer, vice-pres.; H. S. Robinson, gen. mgr.; S. F. Conrod, sec. and actuary; A. M. Campbell, medical director.

Directors—
R. W. Craig, Brig. Gen. H. M. Dyer, W. Hudson, A. M. Campbell, A. J. Fraser.

Capital—	
Authorized	$1,000,000
Subscribed	844,400
Paid-up	211,100

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Issued ($ 000)
1931	2,031,000	10,935	2,676
1932	2,023,409	9,472	1,832
1933	1,910,483	8,809	1,863
1934	1,738,400	7,322	1,414
1935	1,687,629	7,051	1,451

Classes of Business Written—

	Issued 1935 $	Business in Force Dec. 31/35 $
Ordinary business:		
(a) Participating	966,000	6,051,370
(b) Non-partic.	448,000	962,905
Group (N.P.)	37,000	37,000
Total	1,451,000	7,051,275

Analysis of Invested Assets

	1935 %	1934 %	1933 %	1932 %
Bonds:				
Government	3.5	3.4	3.1	....
Municipal	.4	.4	.4	....
Other	.8	1.1	1.1	....
Total	4.7	4.9	4.6	....
Mortgages:				
Farm	52.5	48.3	42.9	....
Urban	10.3	12.5	15.9	....
Total	62.8	60.8	58.8	....
Policy loans	22.3	23.5	27.4	....
Real estate	9.6	10.4	8.8	....
Other	.4	.4	.4	....
	32.5	34.3	36.6	....
Total	100.0	100.0	100.0	....

	1935 %	1934 %	1933 %	1932 %
Interest earned*	6.99	6.0	....	....

*On mean invested assets.

Prudential of America

A decline in new business placed in Canada in 1935 and a small increase in business in force is reported by Prudential Insurance Co. of America, in special figures prepared for The Financial Post.

Total new business issued in Canada, including business revived and increased, amounted to $76.9 millions—a decline of 14 per cent from the corresponding figure of last year. Ordinary business was lower by 19 per cent, while industrial sales dropped 11 per cent.

A considerable increase was shown, however, in group business, which was issued to an amount of $885,841, with a negligible volume of business in 1934.

New business paid for was only slightly lower than the 1934 figure at $69.7 millions. The increase in business in force amounted to something more than one per cent, bringing the total at the end of the year to over $497 millions.

Total assets in Canada at the end of the year amounted to $96.7 millions, of which $78.5 millions was held on deposit by the Receiver-General at Ottawa for the sole protection of Canadian policyholders.

Detailed and summary figures of the company's operations in Canada in 1935, received too late for inclusion in the Life Insurance issue last week follow:

PRUDENTIAL OF AMERICA

Head Office—Newark, N.J.

Canadian Officers—
H. P. Douglas mgr. (ordinary business) for Quebec and chief agent in Canada. A. R. Traynor, Dominion supervisor in Canada for company's industrial agencies which are operated in all parts of the Dominion.

Growth of Busines (In Canada)

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1930	82,848,979	499,263	82,974
1931	90,134,317	515,532	83,165
1932	92,468,103	506,687	74,213
1933	90,949,132	494,991	64,801
1934	98,961,767	492,406	70,506
1935	96,711,529	497,562	69,677

Classes of Business Written (In Canada)—

	†Issued 1935 $	Business in Force Dec. 31/35 $
Ordinary business:		
(a) Participating	36,721,401	230,476,484
*Group	885,841	13,311,269
Industrial	39,263,485	253,774,699
Total	76,870,727	497,562,452

†Includes revivals and increases.
*"Net" increase in group life insurance.

Entire Operations

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for‡ ($ 000)
1931	2,692,698,221	15,870,637	2,987,634
1932	2,773,769,344	15,305,053	2,541,959
1933	2,835,007,067	15,029,951	2,359,475
1934	2,965,245,956	15,352,456	2,597,849
1935	3,129,475,267	15,917,997	2,533,555

‡Including "Net" increases in group life insurance.

	1935 %	1934 %	1933 %	1932 %
Gross int. earned*	4.64	4.71	4.97	5.25

*On mean ledger assets.

Disbursements in Canada, 1935

	$
Death claims	2,972,047
Matured endowments	817,960
Disability claims	269,283
Policyholders' dividends	2,176,938
Total disburs. to policyholders	13,796,121

Le Sauvegarde

Officers—
Narcisse Ducharme, pres. and mgr.; L. M. Lymburner, 1st vice-pres.; Alphonse Milette, 2nd vice-pres.; Jean Pasquin, sec.; Pierre Camu, actuary.

Directors—
Representing shareholders: Narcisse Ducharme, L. M. Lymburner, C. A. Roy, all of Montreal; Alphonse Milette, Terrebonne, Que.; Paul Drouin, K.C., Quebec. Representing policyholders: R. R. Bachand, N.P., Waterloo, Que.; Adjutor Coté, N.P., Montreal; Arthur Vallee, K.C., Outremont.

Capital—	
Authorized	$2,000,000
Subscribed	1,196,000
Paid-up	232,440

Growth of Busines

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1931	4,361,409	30,891	3,960
1932	4,832,500	28,422	3,500
1933	4,818,372	26,931	2,978
1934	4,930,047	25,681	3,115
1935	4,980,518	28,297	6,338

Classes of Business Written—

	Issued 1935 $	Business in Force Dec. 31/35 $
Ordinary business:		
(a) Participating	5,040,178	17,051,272
(b) Non-partic.	2,851,806	10,743,239
Group	none	502,350
Total	7,891,984	28,296,861

Analysis of Invested Assets

	1935 %	1934 %	1933 %	1932 %
Bonds	34	33	32	32
Mortgages	26	25	26	26
Policy loans	17	19	21	22
Stocks	6	6	6	6
Real estate	11	11	10	9
Other	6	6	5	5
Total	100	100	100	100

	1935 %	1934 %	1933 %	1932 %
Interest earned*	5.35	5.48	5.70	6.17

*On mean invested assets.

Protective of Canada

Balance sheet of the Protective Association of Canada, Granby, for 1935, shows that the $25,000 bank loan outstanding at the end of 1934 was liquidated during the year. Total assets show a drop of $33,000 to $282,572, investments and cash accounting for most of the decline. Surplus at the year end amounted to $113,397, compared with $117,602 in the previous year.

The company, which caters exclusively to Freemasons, paid out in benefits last year the sum of $229,279.

Royal Insurance

An increase of 12.5 per cent in new paid-for insurance in Canada is reported for 1935 by Royal Insurance Co. (life branch).

Total business in force in Canada increased six per cent and now stands at $25.2 millions—the highest since 1931. Total new business paid-for during 1935 was almost $2.2 millions, while new business issued in Canada in the same year was $2.3 millions. More than half the new business written was non-participating.

Total assets in Canada at the end of 1935 were lower at $7.1 millions, of which $5.2 millions was held on deposit with the Receiver-General for the sole protection of Canadian policyholders.

Comparative figures for the company's Canadian operations, which were not available in time for inclusion in the special Life Insurance Number last week, are as follows:

ROYAL INSURANCE CO.
Life Department

Head Office—Liverpool, Eng.
Head Office in Canada—Montreal, Que.
Chief Agent for Canada—A. F. Glover.

Growth of Business (In Canada)

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1930	7,060,852	26,369	1,837
1931	7,639,690	25,967	1,873
1932	7,409,518	24,958	1,608
1933	7,330,295	23,659	1,496
1934	9,315,343	23,821	1,951
1935	7,149,915	25,219	2,196

Classes of Business Written— (In Canada only)

	Issued 1935 $	Total in Force Dec. 31/35 $
Ordinary business:		
(a) Participating	1,048,195	16,434,645
(b) Non-partic.	1,278,916	8,784,652
Total	2,327,111	25,219,297

Entire Operations

	$
Total assets, 1934	*273,223,586
Total bus. in force, 1934	*281,500,635
Total new bus. paid for, 1934	†*22,498,600
Do., 1935	†*24,523,480

Interest earned on mean invested assets in Canada, 1934, 4.106%; 1935, 4.255%.
*At $5 to the pound.
†Net.

Fire of Canada

Although gross premiums written by the Fire Insurance Co. of Canada in 1935 were lower than in the preceding year, net premiums show a small increase. After all charges, operations during the year resulted in a net profit of $76,097. In addition to this amount, surplus account was increased by $28,911 representing increase in market values of investments. After charges, including an appropriation of $25,000 for contingent reserve, the balance in surplus account was carried forward at $336,029.

Major change in the balance sheet is an increase of $37,500 in paid-up capital stock to $500,000 the authorized total.

Comparative figures are as follows:

	1935 $	1934 $
Gross prems. writ.	509,538	514,183
Net prems. writ.	287,378	283,050
Loss ratio	45.96%	52.55%
Expense ratio	44.48%	41.34%
Total assets	1,338,227	1,232,970
Net profit	72,372	68,766
Surplus	336,027	297,246

Wawanesa Mutual

Increases in assets, premiums, reserves and surplus and a lower loss total are reported by the Wawanesa Mutual Insurance Co. for 1935.

Total assets at $1,532,995 are up $261,358 from the previous year, the increase being particularly noted in bond holdings, cash and agents' balances. Reserve for unearned premiums jumped $130,000 from the 1934 figure to $597,003; investment reserve is lower at $27,615. Surplus at the year end amounted to $730,856, compared with $579,614 in the preceding year.

During the year the company was licensed in New Brunswick, and since has entered Nova Scotia, so that it is now operating from coast to coast.

Comparative figures are as follows:

	1935 $	1934 $
Net prems. writ.	1,269,117	1,051,884
Net losses	483,100	524,835
Assets	1,532,995	1,271,637
Surplus	730,856	579,614

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ASSETS, $31,000,000.00
Head Office for Canada, Toronto, Ont.
COLIN E. SWORD, *Manager for Canada*

FIRE LOSS RATIO REACHES NEW LOW AT 36 PER CENT

Premium Volume in 1935 Declines By $752,515

Fire insurance premiums written in 1935 were $41,955,981, or 1.76 per cent under those in the previous year, according to a preliminary report issued by G. D. Finlayson, federal superintendent of insurance. However, the loss experience was substantially more favorable, ratio of losses to premiums reaching a new low at 36.07 per cent. Loss ratio in 1934 was 41.6 per cent.

Premiums written during the year by Canadian and British companies declined 2.02 per cent and 3.74 per cent respectively; business of foreign companies showed a small gain of 0.71 per cent. Canadian companies, however, reported the most favorable loss experience with a ratio of 32.82 per cent, down from 40.9 per cent in 1934. The other companies also reported fewer losses, but the relative decline was not as great.

Most Provinces Improve

Only three provinces, New Brunswick, Prince Edward Island and Alberta had higher loss ratios than in the previous year. Ontario was in large measure responsible for the improvement in the Dominion as a whole, as her loss ratio declined by almost ten per cent. Manitoba and Quebec also showed substantial betterment. Quebec still has the largest ratio, however, at 45.35; Manitoba is lowest at 27.31.

Comparative figures are as follows:

Fire Insurance Written in Canada

	1935		1934	
	Net prems. written $	Earn. loss ratio %	Net prems. written $	Earn. loss ratio %
Can.	8,971,889	32.82	9,162,343	40.9
Brit.	17,443,478	35.83	18,120,900	40.5
For.	15,540,614	38.22	15,429,302	43.2
	41,955,981	36.07	42,712,545	41.6

Loss Ratio By Provinces

	1935 %	1934 %
P. E. Island	38.91	33.06
Nova Scotia	41.09	41.21
New Brunswick	41.34	32.86
Quebec	45.35	49.89
Ontario	33.31	43.00
Manitoba	27.31	32.48
Saskatchewan	27.49	30.50
Alberta	29.95	29.66
British Columbia	34.67	36.28

British Northwestern

Net premium income of the British Northwestern Fire Insurance Co. in 1935 amounted to $159,565, a reduction from the previous year of $18,781. Losses incurred totalled $63,720, giving a loss ratio of 39.93 per cent as against 35.55 per cent in 1934. Expense ratio rose slightly to 59.61 per cent.

After increasing reserve for bad debts and providing for all operating expenses, there was net income for the year, including decreased reserve $9,714 for unearned premiums, of $51,263. Of this amount $15,000 was transferred to general reserve and the balance to surplus.

Total assets of the company now stand at $1,002,105. Surplus at the year was 436,515 and general reserve $150,000.

Manitoba Self Insurance

It is reported that the Manitoba government will undertake a self-insurance plan this spring. The fire insurance risks on all public buildings will be carried.

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Ask your nearest Sun Life agent for particulars or send for the booklet "Family Protection and Retirement Policy."

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HEAD OFFICE MONTREAL

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CANADA'S LARGEST FIRE MUTUAL

FIRE *WEATHER* *SPRINKLER LEAKAGE* *AUTOMOBILE*
PUBLIC LIABILITY *THEFT* *PLATE GLASS*

BALANCE SHEET—December 31, 1935

ASSETS		
Cash on Hand and in Banks		$ 276,219.69
Bonds, valuation allowed by Dom. Dept. of Insurance	$591,327.20	
Stocks, valuation allowed by Dom. Dept. of Insurance	125,125.00	
Guaranteed Investment Receipt	20,000.00	
Mortgage Loans	130,575.90	
Agreements for Sale	2,396.25	
		869,424.35
Real Estate		117,483.40
Interest and Dividends due and accrued		27,322.18
Agents' Balances		163,020.81
Premiums due Note Policies (Not over 60 days)		51,509.29
Balances due from Re-Ins. Companies		25,822.80
Accounts Receivable		2,192.10
		$1,532,994.71

LIABILITIES	
Investment Reserve	$ 27,615.45
Provision for Unpaid Claims	107,468.32
Reserve of Unearned Premiums	597,002.88
Provision for Taxes	27,043.80
Re-Insurance Premiums	41,022.45
Accounts Payable	1,965.87
SURPLUS	730,855.94
	$1,532,994.71

Unassessed Premium Notes $1,002,393.48. (Not included in above statement.)

We certify that the above Balance Sheet is drawn up in accordance with the books and records of the Company as at Dec. 31st, 1935, and that we have obtained all the information and explanations required as auditors.
Wawanesa, Man., January 25th, 1936.
E. S. BIGGS, C.A.
C. D. CORBOULD, C.A.

C. M. VANSTONE
Managing Director
E. L. McDONALD
Treasurer

Increase in Assets	$261,357.60
Increase in Surplus	152,317.20
Increase in Reserve of Unearned Premiums	129,367.60
Increase in Net Premiums Written	222,432.84
Decrease in Losses Incurred	41,734.71

ABSOLUTE SECURITY BROADEST POLICY LOWEST COST

Head Office: WAWANESA, Manitoba

BRANCH OFFICES:
Vancouver, B.C. .... 302 Pacific Coast Fire Bldg.
Edmonton, Alta. .... 426-7 Tegler Bldg.
Winnipeg, Man. .... 414 Avenue Bldg.
Toronto, Ont. .... 341 Church St.
Montreal, P.Q. .... 465 St. John St.
Saint John, N.B. .... 94 Prince William St.

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LONGER WEARING
SMOOTHER WRITING
TRUE BLACK LEADS
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The New DIXON CHANCELLOR
Canada's Favorite 5¢ PENCIL
MADE OF CANADIAN GRAPHITE
DIXON CHANCELLOR - 2180-HB
DIXON PENCIL CO. LTD., Newmarket, Ont.

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SPEED! COMFORT!
R.M.S. QUEEN MARY nearing completion
from NEW YORK
to Cherbourg and Southampton
Mar.18 BERENGARIA
Mar.27 AQUITANIA
Apr. 3 BERENGARIA
Apr. 15 AQUITANIA
to Cobh, Havre and Southampton
Apr. 6 BRITANNIC
to Cobh and Liverpool
Mar.28 SCYTHIA
Apr.11 ANDANIA
to Glasgow, Belfast and Liverpool
Apr. 4 CARINTHIA
to Belfast and Liverpool
Mar.20 ANTONIA
to Plymouth and London
Mar.19 ASCANIA
Mar.26 AURANIA
Apr. 2 AUSONIA
Apr. 9 ALAUNIA
*Calls at Boston following day
'Calls at Galway before Cobh
from HALIFAX*
to Plymouth and London
Mar.22 ASCANIA
Mar.29 AURANIA
Apr. 5 AUSONIA
Apr.12 ALAUNIA
to Belfast and Liverpool
Mar.23 ANTONIA
Apr. 5 AUSONIA
*Embarkation previous evening
The largest passenger fleet on the Atlantic offers you the widest possible choice of routes, rates and dates of sailing to Europe.
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ATLANTIC CITY

Bank Chat

Experience Tells

IT IS not generally realized to just what extent those who direct the policies of Canada's banks are a product of the Canadian banking system.

Of the nine strictly Canadian banks, presidents of no less than five began their careers in a bank as junior clerks. These include Sir John Aird, M. W. Wilson, J. R. Lamb, J. A. McLeod and C. A. Roy.

General managers make an even better showing. There are ten general managers—the Bank of Montreal, of course, having two. All of these but one have worked their way up tediously through the ranks. Ernest Guimont, general manager of the Banque Canadienne Nationale is the only exception, his first love being law.

It is a record of which to be proud. The insight into Canadian banking which these men obtained in the course of their training, in various sized communities in different sections of the Dominion has been of inestimable benefit in meeting the wider problems of national management.

• • •

No Half Dollars

HALF dollars are a drug on the Canadian money market. Of the 12.5 millions of coins struck by the Royal Canadian Mint last year, not one was a fifty-cent piece.

The reason apparently is that too many mistakes are made when handling them. In a number of retail stores, cashiers place the large coins to one side when they are presented; they are never handed out as change. It is said there is not sufficient difference in weight between the halfs and the quarters to enable the girls to distinguish readily between them when working at top speed. Particularly is this true of thin 50-cent pieces.

Much the same policy is practised by busy stores in respect to the small five-cent coins, which are frequently confused with dimes.

Cash register distributors, when training cashiers, advise that neither the small fives nor the fifties be given customers in change.

• • •

Service Charges

A LETTER was received recently in connection with service charges, in which the writer admitted the fairness of such levies, but asked for "common sense" in their application. Himself a small merchant, he feels that the small dealer and business man, and the householder are being "soaked" by the banks. As an instance, he cites an account of $4.25 for one month's chequing—85 cheques at five cents each. This was in addition to exchange collected by the same bank on cheques deposited and on drafts amounting to $9.

He concludes "It looks as if in addition to paying the public debt, the little fellow has to guarantee the dividends of the bank shareholders."

The bankers' viewpoint is, of course, that each account should carry itself. Even at $4.25 a month it is doubtful if an account of $100 or $200 would "earn its keep" when 85 cheques are drawn. The only way in which the charge on small balances could be obviated would be to assess larger, profitable balances. And competition might soon put an end to what is in effect an additional and unjustifiable tax on the big accounts.

Apparently, lessened bank charges are just another to add to the economies of large scale enterprise.

• • •

Social Credit Dilemma

ALBERTA'S William Aberhart, "Bible Bill" he is labelled by an American journal, is definitely on the spot in regard to his social credit plans. With impatience over delaying of the dividends apparent, the plan was scheduled to be introduced last week in the legislature. However, it was indefinitely postponed, and the whole of the involved matter still more involved, when Major C. H. Douglas, the daddy of all social credit plans, very ingeniously declined to put his theories to the test.

Aberhart wants the Major to reconsider, but if he won't, plans to engage the services of some other expert. As a last resort, he will undertake the job himself.

The premier's followers were advised by him to trust in God and keep their powder dry. He went on to explain that by keeping powder dry he meant "don't talk too much." Probably Mr. Aberhart wishes that he had followed his own advice before and just after election time.

Money Order Total Rises To $115 Millions in Year

Money orders issued in the fiscal year ended March 31, 1935, amounted to $114,832,665, according to the annual report of the deputy postmaster general. This represents an increase of $7.4 millions over the previous year. There were 12,673,794 orders issued during the year.

Of the total, about $108 millions were payable in Canada and $6.0 millions elsewhere.

During the year, the value of money orders issued in other countries and payable in Canada amounted to $5,932,762.

Toronto General

GORDON LINDSAY

Who has been appointed an assistant general manager of the Toronto General Trusts Corp. Mr. Lindsay joined the corporation last year as executive assistant, and prior to that time practised law in Winnipeg and Toronto.

Wheat Policy Reduces Banks' Current Loans

One reason why the combined statement of the chartered banks showed a drop of $63 millions in commercial loans during January is said to be a change in the government's wheat policy. Part of the decline was seasonal, of course, but a considerable reduction in the advance of some of the banks which have been particularly interested in financing grain handling is believed to have affected the total.

On January 10, holdings of the wheat pools, which had been maintained for the previous five years under government guarantee to the banks, were finally taken over by the wheat board. As a result, advances from the chartered banks are no longer necessary and the loans which the board formerly contracted to carry futures have been paid off.

Last fall, when the government agency took delivery of all wheat on which it held futures, a number of elevator companies liquidated their inventories and with the proceeds paid off loans which they had obtained from the banks to meet handling costs. Taking over the pools' wheat in January was a much similar development.

Marcotte Named Manager Canadienne Nationale

From Our Own Correspondent

MONTREAL.—F. M. Marcotte has been appointed manager of the Montreal main office of the Banque Canadienne Nationale, succeeding F. G. Leduc, whose promotion to the position of superintendent was recently announced.

Bank of Canada Weekly Statement

Dominion government deposits with the Bank of Canada dropped $4.5 millions in the week ended Mar. 4. This was the only large change of the week, and was reflected among the liabilities chiefly in decreases in sterling reserve and that in the United States.

Balance Sheet

Liabilities	Mar. 4 $	Feb. 26 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	85,108,723	85,291,701
Rest fund	173,092	173,092
Dep.: Dominion	21,282,454	25,765,471
Banks	186,452,356	186,095,679
Other	1,788,025	1,090,411
Total deposits	209,522,834	212,951,561
All other liabs.	1,336,462	601,307
Total liabs.	301,141,111	304,017,661
Assets		
Reserve: Gold	180,410,313	180,318,842
Silver bullion	1,511,959	1,496,267
Res. in sterling	103,980	1,284,738
Res. in U. S.	7,314,751	9,228,457
Res. elsewhere	7,129	5,167
Total reserve	189,351,132	192,333,471
Subsidiary coin	261,527	245,140
Investments:		
Dom. govt. short.	26,124,968	26,109,508
Other Dom. govt.	82,502,992	82,540,022
Total invest.	108,627,960	108,649,530
Premises	116,794	113,760
All other assets	2,783,698	2,675,759
Total assets	301,141,111	304,017,661
Reserve ratio	64.26%	64.48%

Weekly Bank Clearings

	Mar. 5, 1936 $	Change year ago %	Feb. 27, 1936 $
Halifax	2,255,526	—9.7	1,848,967
Saint John	1,828,776	+14.9	1,424,975
Moncton	699,430	+11.8	668,949
Sherbrooke	611,776	+32.0	376,143
Quebec	5,057,441	+41.6	2,724,159
Montreal	116,414,501	+10.6	81,874,669
Ottawa	19,981,789	+349.1	13,176,991
Kingston	571,293	+6.2	394,359
Peterborough	693,440	+14.0	536,107
Toronto	135,124,571	+12.9	111,010,104
Hamilton	5,532,813	+32.6	3,834,160
Kitchener	1,178,744	+14.5	906,726
Brantford	775,302	—4.8	769,129
London	3,156,102	+15.7	2,324,916
Chatham	532,612	+14.8	430,477
Windsor	2,715,044	+5.0	2,484,107
Sarnia	421,205	—13.9	363,477
Sudbury	566,945	—17.5	829,810
Fort William	593,745	+5.1	402,151
Winnipeg	39,323,566	+32.4	32,123,324
Brandon	281,626	+4.8	171,387
Regina	2,935,271	+5.9	1,990,569
Moose Jaw	514,512	+16.4	385,769
Saskatoon	1,266,492	+0.09	1,060,760
Prince Albert	305,085	—3.6	237,616
Edmonton	3,770,119	—9.0	3,019,547
Calgary	5,324,965	+2.9	4,633,635
Medicine Hat	203,933	+5.5	143,950
Lethbridge	385,985	—7.4	372,160
N. W'minster	671,165	+2.6	463,240
Vancouver	17,453,824	+2.0	18,711,050
Victoria	1,942,898	+9.2	1,298,835

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"LOST" BALANCES PROVIDE SOURCE UNJUST CLAIMS

Agencies Seek Owners of Unclaimed Money in Banks

Announcement by the banks that there is some $2.6 millions in unclaimed balances has created mild interest throughout the country. But it is an annual announcement, and after being referred to generally—in some local newspapers a list of persons resident in that community who are included in the list is published—it is quickly forgotten.

There is one group, however, which goes through the list with a fine tooth comb. Various enterprising individuals and firms make a practice of searching for the parties named in the list and exact a fee, usually ranging between 15 and 50 per cent. of the amount recovered, for their trouble.

Many Frauds

With legitimate instances which these agencies bring to light, bankers can have no quarrel. Banks cooperate with some. But many are not satisfied with legitimate claims. It is often much less trouble and twice as remunerative to manufacture claims, and to resurrect for that purpose creditors who have died, or whom they feel there is no chance of actually locating. As a result, claims are carefully scanned by the banks.

One rather thin story was unfolded some years ago in making claim for a balance of $495 which had remained with a bank for some 20 years. A man coming out from the Old Country, so the story ran, was entrusted with $500 by a friend to pay, after certain conditions were substantiated to a child living in the country near Hamilton. He deposited $495 in a bank, taking $5 with him when he visited the youngster. Unfortunately, before he could draw the balance from the bank and make a second visit he was run down by a horse and killed. The claim was said to be made by the child, then grown up, but did not stand investigation. Such is the type of story with which banks are confronted quite frequently.

Banks May be at Fault

In some cases the banks themselves have been at fault. A highly regarded customer of one of the banks was once approached on one of the 50-50 propositions, and was found to have forgotten a very substantial amount due on a certified cheque which had never been cashed, and about which the bank had been negligent in not notifying him. Not only did he recover the amount owing, but he persuaded the bank to pay the fee which his agent demanded.

Fishermen's Loans

The Minister of Finance reports that 97 fishermen have applied for loans under the Canadian Fishermen's Loan Act, and that the amount applied for totals $62,385.

Foreign Exchange

After a period of comparative quiet, when monetary authorities in Great Britain and the United States were reported to be endeavoring to maintain the relative steadiness of their exchange, currency rates fluctuated sharply in the week ended March 9.

The Canadian dollar showed marked strength against most European currencies, but failed to hold its position in respect to American funds and for the first time in some weeks slipped to a discount. This appeared largely due to the explosive international situation, which resulted in a rush for United States money. Francs, in particular, were exchanged for dollars, and it is believed that only the absorption of much of continental sales by the official control fund has kept the franc at its present level.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Mar. 3	Mar. 4	Mar. 5	Mar. 6	Mar. 7	Mar. 9
U. S. dollar, High	.5906	.99 15/16	1.00	1.00	1.00	1.00 1/16	1.00⅛
Low	.5906	.99⅞	.99 15/16	.99 15/16	.99 15/16	1.00	1.00 1/16
1935, High	.5906	1.00⅛	1.00¾	1.01⅛	1.01⅛	1.02¾	1.01⅝
Low	.5906	1.00⅛	1.00¼	1.00¾	1.00⅝	1.01	1.01¼
U. K. pound	4.8665	4.98¾	4.99	4.99	4.99⅛	4.98⅞	4.98
Argentina	.4246	.2763	.2770	.2765	.2770	.2775	.2776
Australia	4.8665	3.9825	3.9840	3.9840	3.9850	3.9830	3.9772
Austria	.1407	.1901	.1902	.1901	.1901	.1901	.1893
Belgium	.1392	.1703	.1705	.1707	.1706	.1704	.1701½
Brazil	.1963	.0574½	.0575	.0575	.0575	.0575	.0575
Czechoslovakia	.0296	.0419¼	.0418¾	.0418¾	.0419	.0418½	.0417¼
Denmark	.2680	.2227½	.2229	.2229	.2229	.2228	.2225
France	.0392	.0666½	.0666¾	.0666¾	.0667¼	.0665½	.0664⅝
Germany	.2382	.4064½	.4066	.4067	.4068	.4061	.4046
Greece	.013	.0095½	.0095⅓	.0095⅛	.0095½	.0095⅛	.0095¼
Holland	.4020	.6867¾	.6872	.6874	.6875	.6863	.6830
Hungary	.1749	.2968¼	.2975	.2975	.2975	.2975	.2975
India	.3650	.3796¾	.3799	.3797	.3797	.3797	.3790
Japan	.4985	.2903	.2914	.2912	.2910	.2908	.2900
Jugoslavia	.1929	.0233	.0232½	.0232½	.0232¼	.0232	.0230½
New Zealand	4.8665	4.0227	4.0241	4.0241	4.0252	4.0231	4.0174
Norway	.2680	.2307½	.2509	.2509	.2509	.2507	.2503
Poland	.1122	.1913	.1912	.1911	.1911	.1911	.1904
South Africa	4.8666	4.9632	4.9651	4.9651	4.9663	4.9638	4.9566
Spain	.1929	.1380½	.1382	.1382	.1383	.1379½	.1376¼
Sweden	.2680	.2573½	.2574	.2574	.2574	.2573	.2569
Switzerland	.1930	.3301	.3302	.3301	.3303½	.3297	.3290
Hong Kong	.5422	.3283	.3275	.3270	.3260	.3275	.3285

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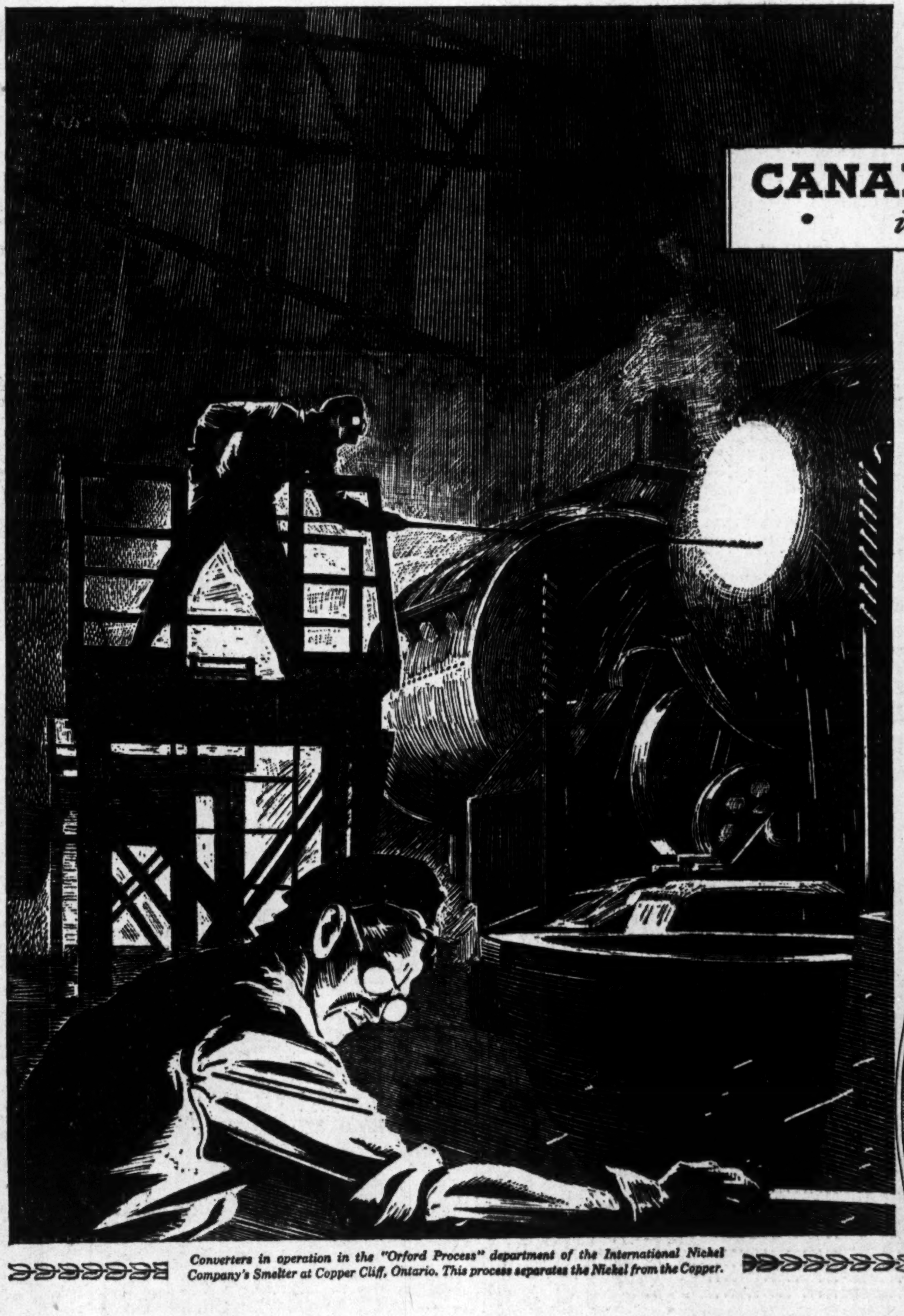
CANADIAN NICKEL in the Home



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Think of a silvery oven top, burner top and back panels on your new range. A top that resists rust and corrosion, that keeps its soft lustre for the life of the range.

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BUTLER BYERS BROS. LTD. SASKATOON, SASK.
McCALLUM-HILL AND COMPANY, LIMITED REGINA, SASK.

Quotations

Montreal, Toronto Listed and Curb Prices

Canadian Bond Markets

This table is confined to official prices for actual transactions in listed stocks. Where no recent sale has taken place on stock exchanges, and for stocks that are not listed, The Financial Post endeavors to get quotations from unlisted dealers, which will be found under the heading of "Unlisted Stocks" on this page.

MONTREAL, TORONTO AND CURB STOCKS

WEEK ENDING MARCH 9

Range 1936 High	Low	Div R'te $	Mar 7 Y'ld %		Sales	Last Mar. 2	Week end. Mar. 9 H	L	Cl'se
				A					
2.50	1.35	.	...	Abitibi	6269	2.12	2.37	2.12	2.12
13	6¾	.	...	Do. pref. 6%	1175	11¾	12	9½	9½
12½	6¾	.	...	Do. cert. dep.	20	11½	9	9	9
12¼	12	.	...	Acme Glove	240	12¼	12¼	12	12
53	47	3.25	6.2	Do. pref.	32	53	52	52	52
10	9¼	40c	4.2	Agnew Surp.	290	10	9¾	9½	9½
107	100	7	6.7	Do. pref.	20	105	107	105	105
6	4	.	...	Alta. Pac. Gr.	177	5¼	5¾	5	5¾
39	25	.	...	Do. pref.	175	36	36	35	35
•25	25	.	...	Aluminium	....	25	(May 17, '35)		
•97	97	.	...	Do. pref.	....	97	(Dec. 6, '35)		
3	2	.	...	Amal. Electric	10	3	3	3	3
23	14	.	...	Do. pref.	20	23	20	20	20
40¼	29¾	15c	...	Amer. Cyn. B.	....	37	(Feb. 28)		
54½	51¾	3.50	6.4	Ang. C. Tel. p.	55	52½	54½	54½	54½
24	17½	.	...	Asbestos v. t.	1001	22½	23	21¾	21¾
15	10	15c	...	Assoc. Brew.	664	13	13	11	11
110	108	7	6.4	Do. pref.	5	110	110	110	110
2¾	¼	.	...	Assoc. Can.	....	¼	(Feb. 11)		
35	34	.	...	Assoc. T. & T. p	....	35	(Feb. 12)		
106	106	7	6.6	Atlan. Sugar. p	....	106	(Feb. 24)		
				B					
55½	51½	2.25	4.1	Bank of Canada	333	54	55½	53	55
140	133	8	5.8	Bk. Can. Nat.	49	137	138	138	138
214	196	8	3.9	Bk. Montreal	82	212	210	207	207
300	271	12	4	Bk. N. Scotia	18	298	298	295	296
235	225	10	4.2	Bk. Toronto	62	235	235	234	235
13¼	13	50c	...	Barcelona	....	13¼	(Jan. 13)		
17¾	12¼	.	...	Bathurst Pr.	3669	13¾	15	13¼	13¼
5¾	3¼	.	...	Do. (B)	25	4	4¼	4	4
4	1¼	.	...	Bawif Grain	40	3¼	3¼	3¼	3¼
38	27	.	...	Do. pref.	110	33	33	33	33
3	2¼	.	...	Beath & Sons	....	2¼	(Feb. 29)		
15	11¾	.	...	Beatty Bros. A.	175	13	13	13	13
104	96	6	5.8	Do. pref.	20	102¼	104	104	104
3¾	2¼	.	...	Beauharnois	1643	3	3¼	2¾	3
105	105	4	3.8	Belding Cort.	....	105	(Feb. 12)		
130	130	7	5.4	Do. pref.	15	130	130	130	130
150	141¾	6	4.1	Bell Telephone	561	147¼	148¼	146	146
32	30	1.25	...	Biltmore Hats	5	32	31	31	31
110	110	7	6.4	Do. pref.	....	110	(Jan. 13)		
5	3¼	.	...	Bissell, T. E.	15	4	5	4¼	4¼
50	33	.	...	Do. pref.	10	50	50	50	50
5	3½	.	...	Blue Ribbon	....	4¼	(Mar. 2)		
30	27	2	7.1	Do. pref.	20	28¼	28¼	28¼	28¼
31¼	30	2	6.4	Brant. Cord. pf	100	30¼	31¼	31	31
15¼	9¾	.	...	Brazilian Tr.	56907	14¼	14¾	12¾	12¾
1.40	1.05	.	...	Brew. & Distil.	6335	1.15	1.20	1.05	1.10
4¼	2¼	.	...	Brewing Corp.	10753	3	3¾	3	3¼
18	13½	1.50	8.9	Do. pref.	3688	16	16¾	15¾	16¼
9	9	30c	3.3	Bright, T. G.	....	9	(Feb. 11)		
82	80	6	7.3	Do. pref.	5	82	82	82	82
23¾	16½	80c	3.6	Brit. Amer. Oil	10452	22¼	22¾	21	21
13	9¼	.	...	B. C. Packers	389	10¼	10¼	10	10
32¾	28¼	1.60	5	B. C. Power A.	775	32	32¾	31¼	31¼
5¾	4	.	...	Do. (B)	830	5¼	5¼	5¾	5¾
16	13¼	1.20+10c	8.1	Bruck S. M.	1170	15	16	15	15
37¼	33	1+25	3.4	Building Prod.	921	35	37	35	36
47¾	37¼	2	4.2	Burt, F. N.	495	45¼	47¾	46	46
				C					
86¼	86¼	6	6.9	Calgary Pr.	....	86¼	(Feb. 19)		
6	5	.	...	Canada Bread	460	5¼	5¼	5	5
95	90	2.25	...	Do. pref. A.	24	94	95	95	95
44	39	.	...	Do. pref. B.	22	43	42	40	41
8¼	6¾	20c	...	Canada Bud	1250	7¼	7¾	7¼	7¼
8	6¼	.	...	Canada Cement	2623	7	7¼	6¾	7
75	58	.	...	Do. pref.	497	67	68	65	65
61½	59	1.50+50c	3.4	C. & D. Sug.	26	61	59¼	59¼	59¼
b16¼	13¼	.	...	Canada Dry	17300	13¾	15¾	13¾	14
7	5	.	...	Can. Forg. (A)	95	5¼	6	5¾	6
2	2	.	...	Do. (B)	....	2	(Jan. 23)		
40	40	.	...	Canada Iron	....	40	(Feb. 26)		
•55	50	3	5.9	Do. pref.	....	51	(Nov. 30, '35)		
525	520	20	3.8	Canada Life	....	525	(Feb. 11)		
35	32¾	1.50+50c	5.9	Can. Malting	740	33¾	34	33¼	33¼
25¾	22¼	1.20	4.9	Can. Nor. Pr.	1606	24	24¼	24	24
110	107¾	7	6.4	Do. pref.	313	108¾	110	108¾	110
93	82¼	3	3.3	Can. Packers	85	90	91	89	89
111	105	.	...	Can. Paper, pf.	....	111	(Feb. 20)		
•.05	.05	.	...	Can. Paving	....	.05	(Aug. 2, '35)		
2	2	.	...	Do. pref.	....	2	(Feb. 5)		
160	137¼	8	5.1	Can. Perman.	17	155	157	155	156
3¼	1¾	.	...	Can. Steamsh'ps	235	2¼	3	2¼	2¼
15¼	8	.	...	Do. pref.	786	11¼	12¼	10	10
27	21	1.20	5.3	Can. Vinegars	200	21¼	22¼	21	21¼
27	20¼	.	...	Can. W. Cable	117	23	27	24	26
12¼	9	.	...	Do. (B)	735	10¼	12¼	10	10
99	96¼	.	...	Do. pref.	10	99	99	99	99
4	3½	.	...	Can. Bakeries	....	4	(Feb. 22)		
57	43½	.	...	Do. pref.	125	54	56	53¼	53¼
170	149	8	4.9	Can. Bk. Com.	298	167	167	162	163
40	31	60+50c	2.7	Can. Bronze	235	38	40	38¼	40
116	114	7	6.2	Do. pref.	5	115	114	114	114
5¼	4	.	...	Can. Canners	481	5	4¾	4	4
94	88¾	6	6.4	Do. 1st pfd.	65	92¼	94	90	92¼
8¼	6¼	.	...	Do. 2nd pfd.	200	7¼	7¼	6¾	6¾
8	6¼	.	...	Can. Car. & Fdy	2395	7¼	7¼	6¾	7¼
17¾	14¼	.	...	Do. pref.	535	16	16¼	15	15¼
31¼	27	40c	...	Can. Celanese	3457	28¼	30¼	29	29
128	120	7	5.5	Do. pref.	342	123	128	125	125
20¾	18	.	...	Do. Rights	2322	18¾	20¾	19¼	20
30	23¼	2	6.7	Can. Convert.	....	30	(Feb. 22)		
50	48	4	8	Can. Cottons	58	50	50	50	50
105	99	6	5.7	Do. pref.	28	103	105	103	105
47	37	1+1	4.2	Can. Dredge	1695	46¼	47	44	44
100	100	6	6	Can. Fairb. pf.	....	100	(Feb. 12)		
34	23¼	1.60	4.7	Can. For. Inv.	1155	32	34	32	32
107	105	8	7.5	Do. pref.	....	107	(Feb. 7)		
165	150	5	3	Can. Gen. Elec.	40	162½	165	165	165
8¼	8¼	40c	...	Can. G. Inv.	....	8¼	(Feb. 14)		
48	34¾	.	...	Can. Hyd. El. p	1227	39¼	42	38¼	42
12¼	9¾	.	...	Can. Ind. Alc.	17051	11¾	11¾	10¼	10¼
11¼	8¼	.	...	Do. (B)	1670	9¼	9¾	9	9
225	225	4	1.8	Can. Indust. B.	20	227¼	225	225	225
166¼	148	7	4.2	Do. pref.	....	166¼	(Nov. 16, '35)		
4	1	.	...	Can. Int. I. Tr.	268	3¼	4	3¼	4
65	35	.	...	Do. pref.	70	53¼	65	64	64
23	20	1	4.3	Can. Lt. & Pr.	....	21	(Feb. 11)		
4	2¼	.	...	Can. Locomo.	41	3¾	4	2¼	3¼
b2¾	2	.	...	Can. Marconi	6600	2¼	2¼	2¼	2¼
18	14¾	50c	3.2	Canadian Oil	122	15¾	15¾	15	15
126	123	8	6.3	Do. pref.	45	126	126	125¼	126
15¾	10¾	.	...	Can. Pacific	12264	14¾	14¾	13	13¼
•.15	.10	.	...	C. Pr. & Pa. In.	....	.10	(Aug. 23, '35)		
5	4½	.	...	Do. pref.	....	5	(Feb. 4)		
3¾	1¼	.	...	Can. Vickers	400	3	3¼	3	3¼
25	12	.	...	Do. pref.	40	20	24	24	24
3¾	2¾	.	...	Can. Wineries	745	3¼	3¾	3¼	3¼
23	21	25c▴	...	Can. Wire Box	89	21¼	23	21	22
24¼	18¼	.	...	Catelli Mac. A.	....	18¼	(Feb. 27)		
4	3	.	...	Do. (B)	....	3	(Feb. 11)		
165	165	8	4.8	Cent. C. Loan.	5	..	165	165	165
1.60	.85	.	...	Chem. Research	3525	1.25	1.30	1.15	1.15
3	1¾	.	...	City Gas & Elec	15	2¼	2¼	2¼	2¼
.60	.40	.	...	Claude Neon	555	.50	.50	.45	.45
14¼	12¾	92c	6.7	Coast Brew.	350	13¼	13¾	13¼	13¾
5¼	4	.	...	Do. Rights	220	5	5	4¾	5
9¾	7¼	.	...	Cockshutt Plow	1030	8¼	8¼	8¼	8¼
1.35	.75	.	...	Comm. Alcohol	935	1.10	1.10	.90	1.00
18¾	16¾	80+10c		Cons. Bakeries	538	18¼	18¼	17¼	17¼
3¾	2	.	...	Cons. Paper	5747	3¼	3¼	3	3¼
9	6	.	...	Cons. Press	10	8¼	6	6	6
35	33	.	...	Cons. Sand.	....	35	(Feb. 27)		
265	200	2.50+4	.	Cons. Smelters.	3919	244	265	246	250
200	188¾	10	5	Consumers' Gas	165	200	200	199	199
90	81	7†	8.6	Corr. P. Box pf	15	81¼	83	81	81
22¾	17¼	80c	3.9	Cosmos Imp.	828	21¼	22	20	20
107	104¼	7	6.6	Do. pref.	196	105¼	105¾	105¼	105¾
17	16	80c	5	Crown Cork	505	16¼	16	16	16
2¾	2	.	...	Crown Dom. Oil	....	2¼	(Feb. 19)		
30	30	2	...	Crow's N. Coal.	....	30	(Feb. 14)		
				D					
4	2	.	...	David & Fre. A.	40	3¼	3¾	3¼	3¼
1¼	½	.	...	Do. (B)	50	⅞	⅞	⅞	⅞
6¼	2	.	...	De Havilland	2655	4	6¼	3¾	6¼
65	40	.	...	Do. (A)	....	65	(Feb. 27)		
4	4	.	...	Disher Steel	....	4	(Mar. 2)		
11¼	7¼	.	...	Do. pref.	100	11¼	11¼	10	10
34¾	27¼	.	...	Distill-Seagram	9055	30	29¾	27¼	27¼
222¼	190	10	4.6	Dom. Bank	142	219	219¼	216	218
40¼	32	1.20	3.1	Dom. Bridge	2115	39	39¼	36¼	37¼
17¾	14¾	1.50	...	Dom. Coal, p n	3022	17¼	17¾	17	17¼
36	26¼	.	...	Dom. Engineer	140	34	33¼	32	32
41	32	.	...	Dom. Foundries	....	41	(Feb. 8)		
115	106	5	4	Dom. Glass	25	115	112½	112½	112½
145	135	7	5.2	Do. pref.	19	145	140	135	140
35¾	34	.	...	Dom. Oilcloth	25	34¼	34	34	34
•90¼	80	7	7.7	Dom. Rubber, p	....	90¼	(Dec. 7, '35)		
8	4¼	.	...	Dom. St. & C.B.	5163	7¼	7¼	6¼	6¼
12	8¾	.	...	Dom. Stores	2350	10¾	11	10	10
7¼	4¾	.	...	Dom. Tar & Ch.	2220	7	7	6	6¼
80	57	.	...	Do. pref.	135	80	78	77	77
79	70	5	6.9	Dom. Textile	654	74¼	75	72	73
146¼	146	7	4.8	Do. pref.	23	146	146	146	146
9¼	5	.	...	Donnacona P. A.	145	8¼	8¼	8	8
7¼	2¼	.	...	Do. (B)	878	6¼	6¾	5¾	5¾
7	5	.	...	Dryden Paper	1390	6¼	6¼	6	6
				E					
2¼	1	.	...	East. Koot. Pr.	175	1¼	2¼	2¼	2¼
14¼	5	.	...	Do. pref.	10	13	14¼	14¼	14¼
3¼	2	.	...	East. Dairies	300	3	3¼	2¾	3
16¼	12¼	.	...	Do. pref.	55	14	15	14¾	14¾
13	10	.	...	East. Steel	73	10¼	11	10	11
98	80	7	7.4	Do. pref.	9	98	95	95	95
•8	7	.	...	East. Theat., pf	....	7¼	(Sept. 4, '35)		
85	85	7	8.2	Do. pref.	....	85	(Feb. 8)		
2¼	1½		...	Easy Washing	....	2¼	(Feb. 5)		
24	20¼	25c	...	Economic Inv.	150	21	24	22¼	23
28¼	19¾	1.60+10c	..	Electrolux	1715	27	26¼	25¼	25¼
3	1	.	...	Enam. & Heat.	30	3	2¾	2¾	2¾
24	10¼	.	...	Eng. Electric	250	20	20¼	19¾	20
12¼	7	.	...	Do. (B)	....	11	(Mar. 2)		
•9	6¾	30c	...	European El. A.	....	7	(Oct. 4, '35)		
				F					
21¾	19	.	...	Fam. Players	....	20	(Feb. 19)		
20	19	.	...	Do. Vot. Tr.	....	19	(Feb. 19)		
17¼	13¼	50c	3.3	Fanny Farmer	6162	16	16	14¾	14¾
28¼	24¾	50c	1.9	Ford Motors A.	11460	26¼	27½	25¼	25¼
2.50	.85	.	...	For. Pr. Secs.	165	2.00	2.00	2.00	2.00
16	13¼	.	...	Foundation Co.	280	15	15	14¼	14¼
19¼	9	.	...	Fraser Cos.	2598	18¼	18¼	16¼	18¼
19	8	.	...	Do. Vot. Tr.	1750	18¼	18¼	16¼	18
60	55	6	10	Freiman, pf.	....	60	(Feb. 24)		
8	2¾	.	...	Frost Steel	15	5	6	6	6
100	97	1.75	...	Do. pref.	....	100	(Feb. 17)		
				G					
5¾	4¾	.	...	Gen. St. Wares.	960	4¾	5	4¾	4¾
65	55	.	...	Do. pref.	301	62	65	62	62
73	64¾	2.50	3.6	Goodyear Tire	148	71	73	70	70
56	53	2.50	4.5	Do. pref.	283	58¼	53	55	55
3	1	.	...	Gt. W. Saddlery	110	2¼	2¼	2¾	2¾
30	13	.	...	Do. pref.	....	27	(Feb. 28)		
8¼	6¼	.	...	Gurd, Chas.	1207	6¼	8¼	6¾	8
100	100	7	7	Do. pref.	10	100	100	100	100
8¼	6¼	.	...	Gypsum, Lime	2340	7¼	7¾	7¼	7¾
				H					
6¾	4¼	.	...	Ham. Bridge	770	5¼	5¼	5	5
37	25¼	.	...	Do. pref.	45	33¼	35	33¼	33¾
29¼	25¼	1.00	...	Ham. Cot., pf.	20	29	29¼	29¼	29¼
1.00	.80	.	...	Ham. U. Theat.	120	1.00	1.00	1.00	1.00
51	50	4	...	Do. pref.	....	51	(Feb. 29)		
4	2¼	.	...	Harding Carpet	100	3	3¼	3¼	3¼
9	1¼	.	...	Hillcrest Coll.	....	9	(Feb. 12)		
16	16	.	...	Do. pref.	....	16	(Jan. 14)		
15¼	13¼	50c	...	Hinde & Dauch	595	13¾	14	13¼	13¼
7	7	.	...	Holt Renfrew	....	7	(Jan. 24)		
40	30	.	...	Do. pref.	....	40	(Jan. 31)		
.70	.40	.	...	Honey Dew	645	.60	.60	.60	.60
7¼	7	.	...	Do. pref.	40	7¼	7	7	7
14¾	11	.	...	H. Smith Pap.	5480	11¼	14¾	11¾	13
118	108	.	...	Do. pref.	95	114¼	118	114¼	118
35	32¾	2	6.1	Humberstone S.	50	33	33	33	33
6	5¼	.	...	Hunts (A)	40	5¼	5¼	5¼	5¼
11¾	6	.	...	Do. (B)	10	6	6	6	6
88	82¼	5	5.9	Huron & E. Mt.	57	84¼	84	82¼	82¼
12¾	12¾	.	...	Do. 20% pd.	10	14¾	12¾	12¾	12¾
10¼	8¼	.	...	Hydro Electric	100	9¼	8¼	8¼	8¼
				I					
221	200	10	4.6	Imperial Bank	84	219	219¼	216	218
24¼	20¼	50+75c	5.4	Imperial Oil	18350	24	24	22¼	22¾
14¼	13¾	52½c	3.6	Imperial Tob.	4641	14¾	14¼	14	14¼
7¾	7¼	6%	...	Do. pref.	150	7¼	7¼	7¼	7¼
24¼	19	1	...	Inter. City Bak.	370	24¼	24¼	24	24¼
45	40	5+2	...	Inter'c Coal	....	40	(Feb. 5)		
•110	108	8	7.3	Do. pref.	....	110	(Dec. 5, '35)		
b5¼	3¼	.	...	Int. Hyd. E. A.	10200	4	4¼	3¾	3¾
7¼	4	.	...	Int. Metal Ind.	220	6¼	6¾	5¼	5¼
42	30	.	...	Do. pref.	127	37	38	37	37
105¾	103¼	5	4.8	Inter. Mill., pf.	30	104¼	104¼	104	104¼
54	44¼	1	2	Inter. Nickel	35555	52¼	52	48¼	48¾
6	4	.	...	Inter. Paints	....	4	(Feb. 29)		
29¼	19	1.12½▴	...	Do. pref.	....	22	(Feb. 24)		
b7¾	4	.	...	Int. Pa. & P. A.	6400	6¼	6¼	5¾	6
b3¼	2¼	.	...	Do. (B)	4800	3	3¾	2¾	3¾
b3¼	1¾	.	...	Do. (C)	2900	2¾	2¼	2¼	2¾
b36¾	23¼	.	...	Do. pref.	13500	31¾	32	29	30
39¼	33¾	1.50+1	6.7	Inter. Pete.	15439	38	38¼	36	36¼
5	3¼	.	...	Inter. Power	110	5	4¾	4	4
88¼	57	1	...	Do. pref.	85	87	87	85	85
14¼	3¾	.	...	Int. Util. (A)	1440	10¾	14¼	11¼	14¼
2.25	.40	.	...	Do. (B)	12390	1.40	1.80	1.35	1.55
				J					
34	33	1.50	4.4	Jam. Pub. Ser.	....	34	(Feb. 14)		
125	123¼	7	5.6	Do. pref.	35	125	125	125	125
				K					
9	6¼	.	...	Kelvinator	250	8¾	9	8	8
107	106	7	6.6	Do. pref.	....	106¼	(Jan. 31)		
				L					
22	16¼	.	...	Lake of Woods.	795	20¼	20¾	19¾	19¾
135	123	1.75▴	...	Do. pref.	15	135	135	135	135
55¼	55	5	9	Landed Bank.	....	55¼	(Jan. 29)		
•4	3¼	.	...	Langley's	....	3¼	(June 13, '35)		
50	46¼	7	15.1	Do. pref.	....	46¼	(Feb. 6)		
68	64¾	3	4.4	Laura Secord	90	68	68	67¼	67¼
4	3	.	...	Lindsay, C. W.	5	3¾	4	4	4
40	40	.	...	Do. pref.	....	40	(Jan. 16)		
20¼	18¾	1	5	Loblaw (A)	1592	19¾	20¼	19¾	19¼
18¼	17¾	1	5.6	Do. (B)	1402	18¼	18¼	17¼	17¼
•7¼	6¾	10c	...	Louisiana L.	....	6¾	(Sept. 11, '35)		
				M					
•3¼	3¼	.	...	MacKin. Steel	....	3¼	(May 30, '35)		
.50	.50	.	...	M. L. Gardens.	....	.50	(Feb. 21)		
4	3¼	.	...	Do. pref.	....	3¼	(Feb. 21)		
2.25	1.50	.	...	Maple Leaf	597	1.80	1.55	1.50	1.55
5¼	4	.	...	Do. pref.	259	4¾	5	4¾	4¾
•12¾	12	60c	4.4	Maritime Tel.	....	13¾	(Oct. 26, '35)		
•15	14¼	70c	4.7	Do. pref.	....	14¾	(Oct. 26, '35)		
18	18	.	...	Marcus Loew's.	....	18	(Feb. 18)		
111	111	7	6.3	Do. pref.	....	111	(Feb. 17)		
7¼	5¾	.	...	Massey-Harris	5707	7¼	7¼	6¾	6¾
40	34¼	.	...	Do. pref.	1470	37	40	37	38
17¾	12¼	.80	4.8	McColl Fron.	6565	16¾	16¾	16¼	16¼
105	96¼	6	5.8	Do. pref.	971	102	103	101¼	102
13¾	10¾	50c▴	...	Melchers (A)	385	11	11¼	10¾	10¾
5¾	4	.	...	Do. (B)	180	4¼	4¼	4	4¼
13	9	.	...	Mercury M's, p	50	13	12¼	11¼	11¼
36	30	1	2.8	Mitchell, J. S.	5	35¼	35¼	35¼	35¼
110	110	7	6.4	Do. pref.	....	110	(Feb. 3)		
8	5¼	.	...	Mitchell, Robt.	80	7	7	6¾	6¾
5	3	.	...	Monarch Knit	10	5	5	5	5
90	87	7	8	Do. pref.	....	87	(Feb. 25)		
35	26	.	...	Montreal Cot.	5	35	35	35	35
100	85	7	7.2	Do. pref.	3	100	98	98	98
2	2	.	...	Mont. Is. Pr.	....	2	(Jan. 20)		
34	31¾	1.50	4.5	Mont. L. & Pr.	6966	33¾	33¾	32	32¼
•32	30	2	...	Montreal Loan	....	30	(Dec. 31, '35)		
9	9	.	...	Mtl. Ref. & S.P.	....	9	(Jan. 20)		
•2	1¼	.	...	Do. Vot. Tr.	....	2	(Dec. 31, '35)		
60	57	3.20	5.4	Montreal Tele.	37	59	58	58	58
103	99¼	9	8.9	Montreal Trams	102	101	101	100	100
39	27¾	1	2.7	Moore Corp.	2245	38¼	38¼	35	35
165	146	7	4.2	Do. pref. (A)	5	160	165	165	165
230	175	7	3.2	Do. pref. (B)	5	230	222	222	222
1.00	.30	.	...	Muirheads	....	.70	(Feb. 13)		
3¼	3	.	...	Do. pref.	....	3	(Feb. 19)		
				N					
44	37	2	4.6	Nat. Breweries.	2954	44	44	41¼	43
43	40	1.75	4.3	Do. pref.	297	41	41¼	41	41
7¾	6¼	.	...	Nat. Grocers	195	7	6¾	6¼	6¾
135	130	7	5.4	Do. pref.	15	131	130	130	130
19¼	16¾	.	...	N. Sew. Pipe A	245	19	19¼	18¼	19
17¼	15¼	.	...	Nat. Steel Car.	1005	16¼	17¼	16¼	16¼
201	198	8	4	National Tr.	13	200	200	200	200
52	34	2	4	Niag. W. Weav.	150	51	50	50	50
60	56	3	5.2	Do. pref.	72	58¼	58	58	58
1.75	.90	.	...	North Star Oil.	1400	1.50	1.75	1.50	1.50
4.00	3.15	.	...	Do. pref.	2335	3.50	4.00	3.75	3.80
61	61	3	...	N. S. L. & Pr.	....	61	(Feb. 11)		
				O					
220	199¾	8	3.6	Ogilvie Flour	125	215	220	215	220
153	152	7	4.6	Do. pref.	....	152	(Feb. 25)		
10	7¼	.	...	Ont. Eq. 10% pd	....	8¼	(Feb. 29)		
112¼	109	6	5.3	Ontario Loan	6	109	112¼	112¼	112¼
14¼	13	.	...	Ont. Silknit	....	14	(Feb. 26)		
90	80	7+75c▴	8.5	Do. pref.	50	89	82¼	80	80
8	8	.	...	Ont. Steel	4	8	8	8	8
85	75	.	...	Do. pref.	5	85	85	85	85
.40	.25	.	...	Orange Crush	....	.25	(Feb. 24)		
8	6	.	...	Do. 1st pref.	....	8	(Feb. 28)		
•.55	.20	.	...	Do. 2nd pref.	....	.45	(Oct. 30, '35)		
94	88	6	6.4	Ott. L. H. & Pr.	475	93	94	94	94
110	101¼	6.50	6.3	Do. pref.	15	102	103	102¼	102¼
21	18¾	2	10.7	Ott. Traction	....	18¾	(Feb. 28)		
				P					
95	78¼	3	3.2	Page Hersey	603	94	93¼	90¼	92
6¼	3¼	.	...	Pantepec Oil	4910	4¾	5¾	4¾	5
25	18	.	...	Paton Mfg.	....	23	(Jan. 25)		
•98	94	7	7.2	Do. pref.	....	98	(Dec. 3, '35)		
57	52	3	5.7	Penmans	135	55	54	52	52
122	118	6	4.9	Do. pref.	....	122	(Feb. 20)		
27	25	1	3.9	Photo Eng.	100	26	25¼	25	25¼
97	85	7	7.2	Porto Rico Pr p	55	96	97	96¼	96¼
18¾	11¾	.	...	Power Corp.	5758	17¾	17¼	15¼	15¼
101	98	6	6.1	Do. pref.	115	99¼	99¼	98¼	99¼
2¼	1¼	.	...	Prairie C. Oil	240	2	2	2	2
24	19	50+12½c	.	Pressed Metals.	396	23	23¾	22	22
6¼	3¼	.	...	Price Bros.	13620	5	6¼	4¼	5
40	22¼	.	...	Do. pref.	6540	31¼	40	30¼	36¾
				Q					
18	14	1	5.6	Quebec Power.	3154	17¼	18	17¼	17¾
				R					
•58	40	2	...	Real Estate L'n	....	40	(July 3, '35)		
6¼	5	.	...	Regent Knit.	260	6	5¾	5¼	5¼
13¼	12¼	.	...	Do. pref.	....	12¼	(Feb. 29)		
10	6¼	.	...	Reliance Grain	45	7¾	7¾	7¾	7¾
30¾	29	2+25c▴	6.7	River S. Mills	25	30¾	30	29¾	30
6¼	4¾	.	...	Rogers Majest.	145	4¾	4¾	4¾	4¾
103¼	95¼	6	5.9	Rolland P. pf.	31	103¼	101	101	101
182	164	8	4.4	Royal Bank	219	180	181¼	179	180
30¼	30	.	...	Russell Motor	....	30¼	(Feb. 13)		
109	100	7+1▴	6.5	Do. pref.	15	109	108	108	108
				S					
9¾	7	.	...	Sarnia Br. (A)	50	9¼	9¾	9¼	9¼
3	1¾	.	...	Do. (B)	100	2¼	2¼	2¼	2¼
23¾	19¼	60c	2.7	Shawinigan	7852	22¾	23¾	20¾	20¾
20	17¼	.	...	Sher. Wms.	680	19	19¼	18¼	18¾
127¼	117	7+1.75▴	5.5	Do. pref.	....	127	(Feb. 20)		
12	10	.	...	Simon & Son	185	11	11	11	11
93	93	7▴	...	Do. pref.	....	93	(Jan. 6)		
80	76	4	5.3	Simpson, Ltd.	115	76	76¼	76	76
12	12	.	...	Do. (A)	....	12	(Feb. 3)		
9	8	.	...	Do. (B)	....	9	(Feb. 13)		
115	111¼	6	5.3	Simpson, R., pf.	65	114	115	114	114
13¾	12	80c	5.9	So. Can. Pr.	3046	13¼	13¾	13¼	13¼
100	98	6	6	Do. pref.	140	99¼	100	99¼	99¼
2¾	1¾	.	...	St. Law. Corp.	4135	2¼	2¾	2¼	2¾
10¼	8	.	...	Do. (A)	7325	9¾	10¼	9¾	9¾
44	40	2	4.5	St. Law. Flour.	30	44	44	43	43
125	120	7	5.7	Do. pref.	15	123	125	123	123
28	20¼	.	...	St. Law. Pa. p	3412	26¾	28	26¾	27
9¼	6¾	.	...	Stand. Chem.	80	9	9	8¾	8¾
3.75	1.15	.	...	St. Pav. & Mat.	1385	2.75	3.00	2.62	2.62
22	12	.	...	Do. pref.	30	15	20	18	18
27	20	.	...	Stand. Steel, pf.	....	27	(Feb. 12)		
64¼	57	1.75+1.42½	3	Steel of Can.	961	63¼	64	63	63¼
57¼	49¼	1.75	...	Do. pref.	865	56¾	57¼	56¼	57¼
3¼	3	.	...	Sterling Coal	....	3¼	(Feb. 6)		
2¼	1	.	...	Stop & Shop	....	2	(Feb. 26)		
2¼	2	.	...	Supersilk H.	....	2	(Feb. 4)		
72	69	3.50	4.9	Do. pref.	20	69	72	69	72
38	30	1	2.8	Sup. Pete. ord.	155	35¼	36	33	33
32¼	32	1	3.1	Do. com.	....	32¼	(Jan. 16)		
110	109¼	7	6.4	Do. pref.	20	110	110	109¼	110
				T					
40	32¾	.	...	Tamblyn	10	40	40	40	40
112¼	111	7	6.2	Do. pref.	....	112	(Mar. 2)		
5	1¼	.	...	Thayers	....	4¼	(Feb. 24)		
37	31	3.50	11.3	Do. pref.	10	32	31	31	31
3	1¼	.	...	Thrift Stores	....	3	(Feb. 21)		
10	7¼	.	...	Do. pref.	35	9	9	8¼	9
11	8¾	.	...	Tip Top Tailors	80	9¼	9¼	9	9¼
105	102	7	6.7	Do. pref.	50	105	105	105	105
15¼	10¼	.	...	Tooke Bros., pf.	....	15¼	(Feb. 11)		
40	34	1	2.6	Tor. Elevators	....	39	(Mar. 2)		
119	113¼	7	6	Do. pref.	105	118	117¾	116¼	117
95	90	4	4.3	Tor. Gen. Tr.	5	93	92	92	92
120	115	6	5	Toronto Mtge.	3	119	118	118	118
155	150	7	4.7	Tuckett Tob. p.	40	150	150	150	150
12¼	8	.	...	Twin City	46	9¾	11¼	10¼	10¼
				U					
12¼	9	.	...	Union Gas	5420	12¼	12¾	10¼	11
15	15	.	...	Un. Amuse. A.	....	15	(Jan. 2)		
.90	.75	.	...	United Distill.	1400	.75	.75	.75	.75
29	22	.	...	United Fuel, pf.	175	27¾	27¼	26	26
25	25	2	...	United Secs.	40	24¼	25	25	25
4¾	3¼	.	...	United Steel	535	3¼	3¾	3¼	3¼
				V					
3¼	2	.	...	Viau Biscuit	65	2¾	2¾	2¾	2¾
38	18	.	...	Do. pref.	40	35	38	38	38
				W					
31¼	26	.	...	Wabasso Cot.	....	28	(Feb. 17)		
34¼	30¼	2	6.2	Walker-Good.	4570	32¼	32¾	30¼	30¼
19	17¼	1	5.3	Do. pref.	1885	18¼	19	18¼	18¼
3¾	2	.	...	Walkerville Br.	5000	3	3¼	3¾	3¼
2¼	1¼	.	...	Waterloo Mfg.	340	2¼	2¼	2	2
10	6¾	.	...	West. C. Flour.	116	8	8	7¼	7¼
65	54	.	...	Do. pref.	118	58	58¼	57¼	58
50	46¼	2	4.2	West. Grocers	....	48	(Feb. 19)		
107	107	7	6.5	Do. pref.	....	107	(Feb. 5)		
17¾	14¾	60c	3.9	Weston Ltd.	2000	15¾	16¼	15¼	15¼
111	109¾	7	6.3	Do. pref.	924	110¾	111	110	111
9¾	8¼	.	...	Whittall Can.	90	9	9¾	9¾	9¾
121¼	121¼	6.50	5.4	Do. pref.	....	121¼	(Jan. 15)		
•3	1	.	...	Windsor Hotel	....	1	(Oct. 28, '35)		
•8	1	.	...	Do. pref.	....	1	(Oct. 23, '35)		
4¼	2¾	.	...	Winnipeg Elec.	1951	4	4¼	4	4
18	10	.	...	Do. pref.	305	17¼	18	18	18
53	38	.	...	Wood, A. & J. p	35	52	52	52	52
67¼	52	.	...	Woods Mfg., pf.	....	53¼	(Feb. 27)		
				Z					
3	2¾	.	...	Zimmerknit, c.	....	3	(Feb. 18)		
64	50	3.50▴	...	Do. pref.	6	64	64	64	64

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* Quotations for 1935. No sales recorded in 1936 to date.

† Plus $33.25 on arrears. Comprising one funding right for each preferred share.

▴ On account of arrears.

b New York quotations.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)

March 11, 1936

Dominion of Canada Bonds

		Due	Bid Mar. 11	Asked Mar. 11	Approx. Yield	Bid Mar. 4
Dominion	2	15 Oct. 1936	100.35	100.70	.83	100.35
Dominion	5	15 Nov. 1936	102.20	102.55	1.15	102.50
†‡Dominion	5	1 Mar. 1937	104.10	104.50	.32	104.10
‡Dominion	5½	1 Dec. 1937	107.90	108.25	.69	108.00
Dominion	2½	15 Oct. 1939	102.00	102.50	1.79	102.25
Dominion	4	15 Oct. 1939	107.25	107.75	1.77	107.30
Dominion	2	15 Nov. 1939	101.00	101.50	1.57	101.00
Dominion	4½	1 Sept. 1940	110.15	110.60	2.01	101.25
Dominion	5	15 Nov. 1941	112.80	113.20	2.46	113.00
Dominion	3	15 Oct. 1942	104.75	105.25	2.14	104.70
Dominion	2½	1 June 1943	102.25	102.75	2.08	102.05
Dominion	5	15 Oct. 1943	113.75	114.25	2.90	114.00
Dominion	4½	15 Oct. 1944	111.85	112.35	2.87	112.00
▪Dominion	2½	15 Aug. '43-45	98.25	98.75	2.65	98.45
Dominion	4	15 Oct. '43-45	108.35	108.75	2.73▴	108.35
Dominion	4½	1 Feb. 1946	111.85	112.35	3.05	112.00
Dominion	3½	15 Oct. '44-49	103.35	103.80	3.00▴	103.40
Dominion	4	15 Oct. '47-52	107.35	107.85	3.21▴	107.35
Dominion	3	1 June '50-55	97.85	98.35	3.11	98.00
Dominion	4½	1 Nov. '46-56	109.50	110.00	3.40▴	109.65
Dominion	4½	1 Nov. '47-57	109.50	110.00	3.47▴	109.65
Dominion	4½	1 Nov. '48-58	109.75	110.25	3.51▴	109.90
Dominion	4½	1 Nov. '49-59	109.85	110.35	3.55▴	109.95
▪Dominion	3¼	15 Jan. '56-61	100.25	100.75	3.20▴	100.70

Dominion Guaranteed Bonds

		Due	Bid Mar. 11	Asked Mar. 11	Approx. Yield	Bid Mar. 4
*G. T. P. Ry.	3	1 Jan. 1962	99.50	100.50	2.93	99.75
Can. N. Ry.	3	1 May 1944	102.50	103.50	2.53	102.75
Can. N. Ry.	3	15 Dec. '45-50	97.50	98.50	3.12	97.50
Can. N. Ry.	3	15 Feb. '48-53	96.65	97.65	3.18	96.75
*Can. N. Ry.	4½	1 Sept. 1951	112.75	113.75	3.36	113.00
*Can. N. Ry.	4½	1 Feb. 1956	112.75	113.75	3.53	113.25
†Can. N. Ry.	4½	1 July 1957	111.00	112.00	3.68	111.50
*Can. N. Ry.	4¾	15 June 1955	115.75	116.75	3.55	116.25
Can. N. Ry.	5	1 Feb. 1954	115.50	116.50	3.73	115.75
*Can. N. Ry.	5	1 July 1969	116.00	117.00	3.19▴	116.50
*Can. N. Ry.	5	1 Oct. 1969	117.75	118.75	3.57▴	118.25
*M. Harb. C.	5	1 Nov. 1969	118.00	119.00	3.55▴	118.25

Provincial Government Bonds

		Due	Bid Mar. 11	Asked Mar. 11	Approx. Yield	Bid Mar. 4
Eastern—						
N. Bruns.	4	1 Sept. 1954	103.50	104.75	3.64	103.25
†N. Bruns.	4½	15 Apr. 1961	108.50	110.00	3.88	108.50
†N. Bruns.	5	15 Jan. 1960	113.50	115.00	4.02	113.25
N. Scotia	3	2 Sept. 1945	98.75	100.00	3.00	98.75
N. Scotia	4½	15 May 1943	108.00	109.00	3.09	108.00
†N. Scotia	4½	15 Sept. '47-52	109.00	110.25	3.41▴	108.75
†N. Scotia	5	1 Mar. 1960	115.00	116.25	3.94	115.00
*Ontario	4	1 June 1962	105.25	106.25	3.63	105.00
*Ontario	4½	1 Sept. 1944	109.50	111.00	3.02	110.25
Ontario	4½	1 June 1950	109.00	110.00	3.60	108.50
*Ontario	4½	15 Jan. 1962	110.00	111.00	3.83	109.25
Ontario	5	15 Oct. 1948	112.00	113.00	3.72	112.00
*Ontario	5	2 Dec. 1960	116.50	118.00	3.87	116.75
Ontario	5½	1 July 1946	114.50	115.50	3.82	114.25
O. H. C.	3½-4-5	1 Oct. '33-52	100.75	101.75	4.27•	100.50
Ont. Hyd. C.	4¾	1 Jan. 1970	110.00	112.00	4.09	110.00
P. E. I.	3	1 Oct. 1945	99.00	100.00	3.00	99.00
Quebec	4	15 Mar. 1952	107.50	108.75	3.30	107.25
Quebec	4½	1 Aug. 1958	110.25	111.25	3.52	109.75
Quebec	4½	2 Jan. 1963	113.00	114.00	3.67	111.50
Western—						
Alberta	4	15 Dec. '49-54	84.00	86.00	5.17	83.00
†Alberta	4	1 Dec. 1957	84.50	86.50	5.02	84.00
Alberta	4½	1 Oct. 1951	88.00	90.00	5.44	87.50
†Alberta	4½	1 Oct. 1956	87.50	89.50	5.33	86.50
†Alberta	5	1 Jan. 1948	89.00	91.00	6.07	89.00
Alberta	5	1 Sept. 1955	89.00	91.00	5.77	89.00
*Alberta	5	1 Oct. 1959	90.00	92.00	5.61	90.00
†Alberta	5½	1 Jan. 1947	93.00	95.00	6.13	93.00
Alberta	6	1 Mar. 1947	93.00	95.00	6.65	94.00
†Brit. Col.	4	1 Dec. 1957	96.50	97.50	4.17	96.00
*Brit. Col.	4½	15 Jan. 1951	99.50	101.00	4.41	99.50
†Brit. Col.	4½	1 Oct. 1953	98.50	99.50	4.34	98.25
†Brit. Col.	5	15 Jan. 1948	100.00	101.50	4.83	100.50
Brit. Col.	5	1 Sept. 1953	100.00	101.00	4.92	100.50
Brit. Col.	5½	1 Feb. 1945	101.25	102.25	5.20	101.25
Brit. Col.	6	15 Feb. 1947	102.50	104.00	5.51	102.50
Manitoba	4	2 Jan. 1950	99.25	100.25	3.97	99.00
†Manitoba	4	1 Dec. 1957	99.50	100.50	3.97	99.50
†Manitoba	4½	15 Dec. 1956	103.50	104.50	4.17	103.50
†Manitoba	5	15 June 1954	107.50	109.00	4.29	107.50
*Manitoba	5	2 Dec. 1959	110.00	111.00	4.27	110.00
Manitoba	5½	1 Oct. 1953	108.50	110.00	4.71	109.00
Manitoba	6	1 Apr. 1947	109.00	110.50	4.80	109.50
Sask.	4	15 Aug. 1953	90.50	91.50	4.72	90.75
Sask.	4	1 Nov. '55-60	90.00	91.00	4.61	90.50
*Sask.	4½	2 July 1945	100.00	101.00	4.36	100.00
†Sask.	4½	1 Oct. 1951	97.75	98.75	4.61	97.50
†Sask.	4½	15 Mar. 1960	96.50	97.50	4.67	96.50
Sask.	5	1 Aug. 1958	100.50	101.50	4.89	101.00
†Sask.	5½	15 Nov. 1946	103.50	104.50	4.94	104.00
Sask.	5½	1 Oct. 1952	103.50	104.50	5.10	104.90
Sask.	6	15 Mar. 1952	106.50	108.00	5.25	106.50

Municipal Bonds

		Due	Bid Mar. 11	Asked Mar. 11	Approx. Yield	Bid Mar. 4
†Calgary	5½	2 June 1944	84.00	88.00	7.38	84.00
†Edmonton	5½	1 Nov. 1945	89.00	94.00	6.37	88.50
†Halifax	5	1 July 1961	112.00	114.00	4.11	112.00
Hamilton	5	1 May 1950	107.00	110.00	4.05	107.00
Montreal	5	1 Mar. 1945	106.00	108.00	3.93	106.00
Ottawa	4½	1 July 1945	108.50	111.00	3.15	108.50
†Quebec	5	1 June 1959	109.50	111.50	4.22	109.25
Regina	5	1 July 1944	89.00	94.00	5.92	88.00
St. John	5	15 Dec. 1950	107.50	109.50	4.14	107.50
†Toronto	4½	1 Jan. 1955	109.00	111.50	3.65	109.00
Vancouver	5	1 June 1969	89.00	93.00	5.46	89.00
Victoria	5	21 July 1945	96.00	99.00	5.13	96.00
Winnipeg	5	1 Mar. 1944	105.00	107.00	3.97	105.00

*Payable Can., N.Y. & £. †Payable Can. & N.Y. ▴Calculated to call date giving lowest possible yield. •Calculated to maturity although callable prior to that date. ‡Exempt from Dominion income tax. ▪Payable in N.Y.

The Financial Post's Quotations

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of an approximate price is better than none at all.

Corporation Bonds

(Furnished by Toronto Bond Traders' Association)

March 10, 1936

Public Utility Issues:	Int. Rate %	Due	Bid Mar 10	Asked Mar 10	Bid Mar. 3
‡Avalon 'Phone.	5¼	'48	...	...	101
Beauharnois	5¼	'73	82	85	84¼
Beauharnois	5	'73	25	28	27¼
*Bell T'phone	5	'55	115	118	115¼
*Do.	5	'57	118	121	119
†B. C. Power	5	'60	104¼	107	105¼
†Do.	5¼	'60	105¼	108	106¼
†B. C. T'phone	5	'60	105¼	108	107
†Calgary Pwr.	5	'60	102	105	102¼
Do.	5	'64	98	101	98¼
†Can. Nor. Pr.	5	'53	102	105	102
Dom. Gas	6¼	'45	90¼	93¼	91
‡Duke-Price Pr.	6	'66	105	107	104¼
*Gatineau Pwr.	5	'56	97	99¼	96¼
*Do., A	6	'41	87	90	89¼
*Do., B	6	'41	85¼	88¼	87¼
*Int'l. Hydro	6	'44	51¼	54¼	54
†Maclaren-Que.	5¼	'61	...	88¼	87¼
Do.	5¼	'64	...	87¼	87
*Manitoba Pwr.	5¼	'51	80	83	81
†Mtl. Island Pr.	5¼	'57	104	107	104
†Montreal Pr.	3¼	'56	99	101	99
†Montr'l. Tram.	5	'55	86	88¼	85
†Do.	5	'41	104	107	103¼
Nat'l. L. & P.	6	'49	97¼	100¼	97¼
†N.S. L. & Pr.	5	'58	104	107	104
†Ottawa Light	5	'57	105	108	105
†Ottawa Val. Pr.	5¼	'70	81	84	87¼
†Power Corp.	4¼	'50	93¼	96¼	93¼
*Quebec Pwr.	5	'68	105¼	108	105¼
†Shawinigan	4¼	'70	104	107	104¼
†Do.	5	'70	107	109	107
†S. Canada Pr.	5	'55	104¼	107¼	104¼
†United Secs.	5¼	'52	78¼	81¼	78¼
†W. Koot. Pwr.	5	'56	105¼	107¼	105¼
†Western Pwr.	5	'49	105	...	105
*Winnipeg Elec.	6	'54	81	84	82
Industrial and Realty Issues:					
Abitibi Pwr.	5	'53	45	48	47¼
†Acadia Sugar	4¼	'55	99¼	102¼	99¼
†Alta. P. Grain.	6	'46	99	102	100
‡Asbestos Corp.	5	'42	100	...	99
B. A. Oil	4	'45	102¼	105¼	102¼
*B.C. Pulp & P.	6	'50	84	87	84
Burns & Co. (5/58 int. bearing)			87¼	91¼	87¼
Can. Biscuit	6¼	'46	25¼	28¼	25¼
Canada Bread	6	'41	108¼	111	108¼
†Can. Cement	5¼	'47	105¼	108	105¼
‡Can. Ss. Lines.	5	'43	102¼	...	102
Do.	6	'41	57	60	59¼
†Can. Canners	6	'50	104¼	107	104¼
*Can. Int. Pap.	6	'49	87	90	88¼
C. P. R.	4¼	'44	100	103	100
Do.	4	'49	104	107	104¼
Do.	3¼	'51	97	99¼	97
Can. Rail & H.	6¼	'51	52	55	49
†Can. Vickers	6	'47	91¼	94¼	91¼
Cons. Paper	5¼	'61	33¼	36¼	34
†Dom. Canners.	6	'40	109	...	109
Dom. Sq. Corp.	6	'48	...	...	68¼
†Dominion Tar	6	'49	103¼	106	103¼
†Donnacona P.	5¼	'48	...	84¼	83¼
†East. Dairies	6	'49	87	90	87¼
†Fam. Players	6	'48	102¼	105¼	103
†Do.	6¼	'48	101	104	101
†Federal Grain	6	'49	99¼	102¼	99¼
Fraser Cos.•	6	'50	104	...	102
Do.▴	6	'50	97¼	...	95¼
†G. Steel Wares	6	'52	100¼	103¼	101
Gt. Lakes Pap.	6	'50	44	47	45¼
†Gypsum, Lime.	5¼	'48	95	90	95¼
Ham. Cottons	5¼	'48	102¼	...	102¼
*Ham. By-Prod.	5	'58	97	100	97¼
*Hinde & Dauch	5¼	'48	102¼	...	102¼
†I. P. & P. Nfld.	5	'68	102¼	105	102¼
Int. City Bak.	5¼	'48	103	...	103
Inter-City W. Bakeries	6¼	'50	35	40	36
Kingston Elev.	6	'50	95¼	98¼	96
Lake St. John P. & Pa.	6¼	'47	...	94	92¼
†Lon. Can. Inv.	4¼	'48	90	...	89
London Rlty.	6	'50	93	97	93
†Massey-Harris.	5	'47	...	93¼	91
McColl-Front.	6	'49	104¼	107	104¼
†Mercury Mills.	5¼	'53	64	...	64
M. & O. Paper	6	'45	34	37	35¼
Mtl. Dry Docks	6	'48	...	85	81¼
N. Ont. Bldg.	6¼	'39	97	100	97
Ontario Bldg.	6¼	'43	...	...	34¼
Price Bros. bds.	6	'43	111¼	114¼	112
*Prov. Paper	5¼	'47	102	105	102¼
Queen's Hotel.	6	'47	92	95	92¼
*Reliance Gr.	6	'48	102¼	105	102¼
Richmond-Bay.	6¼	'47	97	100	97
‡Riordon Pulp	6	'42	104¼	...	104¼
†Rolland Paper.	5¼	'48	105	...	105
Ruddy & Co.	6¼	'48	99	102	100¼
†Simpsons Ltd.	6	'49	104¼	107	104¼
Do.	5¼	'49	102¼	...	102¼
†Smith, How'd.	5¼	'53	104¼	107	104¼
‡Steel of Can.	6	'40	112¼	...	112¼
Stop & Shop	6	'47	63	...	64
United Corpns.	5	'53	94¼	97¼	92¼
United Grain	5	'48	99	102	99¼
Do.	5¼	'49	102	105	102
Western Grain.	6	'49	...	89¼	88¼
Zimmerknit	6	'51	96	...	96

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. §Payable in U. S. only. *Payable in Can. or U. S. •Unstamped. ▴Stamped.

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

March 10, 1936

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, c.	4.00	4.20
Do., pfd.	4.90	5.10
Acme Farmers Dairy, pfd.	36.00	40.00
Algoma Steel New, c.	46.00	49.00
Do., New, pfd.	60.00	65.00
Andian National	47.75	49.00
B. C. Pulp & Paper, c.	1.25	1.90
Do., pfd.	10.00	12.00
Burns & Co., A	13.00	14.00
Do., B	7.00	7.75
Canada Paper, pfd.	108.00	...
Canada Starch, pfd.	89.00	93.00
Canada Tea, pfd.	36.00	...
Can. Tube, 1st pfd.	47.50	...
Can. Industries, A, com.	225.00	...
Do., pfd.	139.50	162.00
Can. Ingersol Rand	122.00	126.00
Can. Westinghouse	63.00	66.00
Chase, A. W., pfd. bonus	25.50	26.50
Conduits Nat. New, com.	1.75	2.35
Dom Found. & St., c. (New)	40.00	43.00
Do., pfd. (New)	90.00	93.00
Dunlop Tire, pfd.	64.50	67.00
East. Dairies, pfd.	14.00	16.00
Edm. City Dairy, pfd.	60.50	...
Federal Grain, com.	4.25	5.00
Do., pfd.	62.00	63.00
Goderich Elevator	8.50	9.25
Greening Wire, pfd.	104.50	105.50
Guelph Carpet, pfd.	104.50	105.75
Do., com.	16.75	17.50
Highland Dairy, com.	2.50	3.00
Do., pfd.	80.50	...
Industrial Accept., A	16.00	18.00
McLaren Power, com.	11.00	14.00
Morrow Screw, pfd.	93.50	...
New Meth. Laund. p. bonus	77.00	81.00
Provincial Paper, pfd.	104.25	105.50
Reliance Grain, pfd.	87.00	90.00
Robinson Consol. Cone	9.25	10.00
Ruddy, E. L., pfd.	41.00	...
Silverwood's Dair. pfd.	48.00	...
Std. Fuel, pfd. bonus	106.50	108.00
Superiest Pet., B, pfd.	27.00	29.00
Toronto Carpet, com.	...	...
Do., pfd.	37.50	...
United Steel, A, pfd.	5.00	5.75
West. Grain, pfd. bonus	21.00	23.00
Western Grocers, pfd.	107.00	110.00
Trust & Loan Stocks:		
Chartered Trust	80.50	84.00
Guelph, Ont., Inv. Savings	46.50	50.00
London & Western Trust	48.00	...
Sterling Trust	36.00	...
Traders Fin. B, 7% pfd.	70.00	...
Trusts & Guarantee	39.00	41.00
Insurance Stocks:		
British America	39.00	43.00
Canada Life	520.00	534.00
Canadian Fire	76.00	...
Can. Ins. Shares, com.	11.00	12.50
Confed. Life, 20% pd.	119.00	121.50
Continent. Life, 20% pd.	37.00	40.00
Crown Life	105.00%	...
Dominion Fire	116.00	...
Dominion Life, 50% pd.	266.00	300.00
Dom. of Can. Gen.	107.00	...
Empire Life, 25% pd.	7.50	8.50
Excelsior Life, 30% pd.	69.00	73.00
Federal Fire, 25% pd.	39.00	...
Fidelity of Can.	47.00	51.00
Great West Life	390.00	...
Guar. of N. A. fully pd.	245.00	...
Halifax Fire	21.50	22.50
Imperial Life	300.00	...
Manufacturers Life	266.00	272.00
Monarch Life, 10% pd.	19.50	20.50
National Life, 25% pd.	...	54.00
Sovereign Life, 25% pd.	17.00	18.50
Sun Life	565.00	580.00
Toronto General Ins.	4.85	...
Western Assur., com.	40.50	...
Do., pfd.	39.50	42.50
Theatre Stocks:		
Allens Beach, pfd.	60.50	...
Do., Calgary, com.	6.75	7.75
Do., Kingston, pfd.	53.50	...
Do., Parkdale, pfd.	44.00	49.00
Do., Toronto, pfd. bon., c.	29.00	34.00
Eastern Theatre, com.	4.00	6.00
Do., pfd	77.00	82.00
Loew's London, pfd.	2.15	3.00
Do., Toronto, pfd.	111.00	115.00
Mansf. Theatre, pfd.	32.00	...
Para. Kitchener, pfd.	39.50	...
Do., Oshawa, pfd.	65.50	...
United Amusement, A	15.00	17.00
Do., B	14.00	16.00
Investment Trust Shares:		
Can. Gen. Invest.	7.90	8.20
Can. Investors	7.80	8.20
Can. Int Inv. Tr. Units	70.00	...
Cons. Div. Std. Sec. Units	12.00	13.75
Debenture & Sec., pfd.	50.00	...
Dom. Scott. Inv. Units	29.00	31.00
For. Power Sec., pfd.	14.00	16.00
Invest. Found. Units	49.50	51.00
Sec. Holding Units	20.00	23.00
United Corpns., A	23.00	23.75
Do., B	9.00	9.75
Power Issues:		
Calgary Power, pfd.	87.00	90.00
Can. L. & P., com.	22.00	25.00
Can. Pub. Service, pfd.	28.00	...
Can. West. Nat. Gas, pfd.	98.00	100.00
Do., com.	24.00	...
Great Lakes Pwr., pfd.	90.50	95.00
Inter. Util. 7.00 pfd.	81.50	...
Nor. Ont. Power, pfd.	99.75	101.00
Nova Scotia L&P, pfd.	101.25	103.50

Mining Stock Quotations

WEEK ENDING MARCH 9, 1936

Par Val.	Range 1936 High	Low	Company	Sales	Close Mar. 12 (or last)	High for week	Low for week	Close Mar. 9
1	.70	.54	Afton	14,800	.55	.60	.57	.60
No	.16	.07	Aldermac	165,800	.11½	.12	.09¾	.10¼
1	.02¾	.01½	Alexandria	50,000	.02¾	.02¼	.02¼	.02¾
No	.10¼	.03¾	Algoma	197,850	.09	.10	.08½	.09½
No	4.95	4.10	Anglo-Huronian	1,737	4.40	4.85	4.55	4.70
No	.08	.02	Arno	48,200	.03½	.08	.03½	.05
1	.97	.70	Arntfield	7,020	.85	.85	.80	.80
1	.25	.14	Ashley	24,025	.16½	.17	.15	.15½
1	.06¼	.02½	Astoria Rouyn	111,600	.05½	.06	.04¾	.05¼
1	.11¼	.05½	Bagamac	79,300	.09	.09	.07½	.07½
1	.07	.03¾	Barry Hollinger	56,150	.04½	.04½	.04	.04½
1	.40	.21	Base Metals	22,450	.23½	.25	.23	.25
1	.50	.33	B.E.A.R.	67,100	.37	.43½	.36	.40
No	1.84	1.40	Beattie Gold	10,750	1.58	1.58	1.40	1.40
1	.45	.39	Beaufor Gold	7,900	.....	.45	.39	.39
1	.76	.60	Big Missouri	15,914	.65	.66	.60	.64
1	.24	.16½	Bobjo	31,347	.18	.19	.17	.18
No	7.15	5.55	Bralorne	5,545	6.70	6.95	6.60	6.60
1	.40	.25	Brazil Gold	2,900	.30	.30	.28	.28
1	.04¾	.02	Brett Trethewey	4,500	.03½	.03½	.03	.03½
50c.	.14	.09	B.R.X. Gold	38,500	.09	.14	.09¾	.10½
1	6.50	3.80	Buffalo Ankerite	5,874	5.40	5.40	4.75	4.75
No	.06¾	.02	Buffalo Can.	240,700	.05	.06¾	.04½	.04½
5	37.00	32.00	Bulolo Gold	520	33.00	33.00	32.50	33.00
No	.18	.06	Bunker Hill	33,490	.15	.16	.11	.11
No	1.45	1.05	Can. Malartic	25,872	1.19	1.20	1.06	1.06
1	.20	.20	Capital Rouyn	500	.20	.20	.20	.20
1	1.60	1.15	Cariboo Gold	5,600	1.40	1.60	1.42	1.46
1	.05	.02	Cartier Malartic	4,000	.04	.04½	.03½	.04
1	1.69	1.24	Castle Trethewey	25,776	1.49	1.54	1.44	1.44
1	.25	.11½	Cen. Manitoba	61,420	.23½	.23	.19	.19½
1	3.44	2.79	Cen. Patricia	45,458	3.10	3.15	2.79	2.80
No	.63½	.19½	Chibougamau Pros.	119,840	.53½	.54	.43	.43½
No	.08½	.03½	Church M. & Mill	110,200	.07¾	.08½	.06½	.07½
No	.05	.03	Clericy	176,225	.04¾	.05	.04¾	.04¾
5	4.50	3.50	Coast Copper	950	3.60	3.75	3.50	3.55
1	.03¾	.01½	Cobalt Contact	101,000	.02½	.03¾	.02¾	.03¼
5	3.45	2.80	Coniagas	1,450	3.25	3.35	3.25	3.25
No	2.64	1.80	Coniaurum	22,508	2.30	2.42	2.01	2.02
25	265.00	200.00	Cons. Smelters	3,919	244.00	265.00	246.00	250.00
No	52.00	41.75	Dome Mines	2,796	47.75	48.25	47.00	47.00
1	.07	.04½	Dom. Explorers	9,250	.05½	.06½	.06	.06
1	.10¾	.08	Duparquet	9,450	.08¾	.09	.08	.08½
1	1.38	1.06	Eldorado	72,540	1.14	1.38	1.10	1.20
No	9.50	6.90	Falconbridge	22,247	9.25	9.50	9.05	9.05
1	.10	.03	Federal	59,700	.07	.07½	.06	.06
No	.44	.23	Francoeur Gold	48,850	.30	.31	.27¾	.27¾
1	.11	.05	Franklin Gold	229,200	.07½	.07¾	.06	.06
No	1.45	1.04	God's Lake	124,369	1.30	1.33	1.12	1.13
1	.28	.14½	Goldale	38,100	.24	.24	.22½	.23½
50c.	.40	.30	Gold Belt	500	.34	.34½	.34½	.34½
1	.26½	.06	Goodfish	52,150	.26	.26½	.19	.20
1	.07½	.03	Graham Bousquet	14,000	.05	.05	.04	.05
1	.31	.19	Granada Gold	13,983	.22	.22	.21	.21
No	.09	.05¾	Grandora	26,500	.07½	.08	.07	.07
1	.36	.23	Greene Stabell	44,650	.33½	.34½	.28	.30
1	.09	.08	Grull Wihksne	......	.08	(Feb. 24)		
1	.94	.77	Gunnar Gold	24,700	.93	.94	.83	.85
1	.05	.02	Halcrow Swayze	6,900	.03½	.04	.03½	.03½
1	.77	.30	Hard Rock	47,900	.76½	.76½	.60	.60
1	.10½	.07	Harker	120,100	.08½	.10½	.08½	.08½
5	17.25	13.75	Hollinger	14,005	15.00	16.65	14.50	14.50
1	.75	.62	Howey Gold	18,750	.67	.68	.64	.65
No	28.25	22.87	Hudson Bay	2,989	27.25	27.50	26.50	26.50
1	14.25	11.50	Inter. Mining	......	14.25	(Feb. 19)		
1	4.10	4.10	Do., Pur. Warr.	......	4.10	(Jan. 13)		
No	54.00	44.12	Int. Nickel	35,555	52.25	52.00	48.25	48.75
1	.58	.28½	J. M. Cons. Gold	72,380	.46	.47	.41	.41
1	.55	.40	Kerr Lake	200	.55	.55	.55	.55
1	.62	.30	Kirk. Hud. Bay	700	.50	.47	.45	.47
1	.58	.45	Kirkland Lake	74,605	.47	.52	.45	.49
1	.07½	.03¼	Kirk. Premier	......	.07½	(Feb. 28)		
1	.22	.14½	Kirk. Townsite	11,700	.17	.21	.17	.17
No	.09½	.03	Lake Maron	92,000	.07½	.07½	.05¾	.05¾
1	59.12	51.75	Lake Shore	3,671	57.50	57.25	55.00	55.00
1	.19	.05	Lamaque Contact	71,900	.11	.12	.10	.11
1	.29¾	.12	Lebel Oro	675,793	.28½	.29¾	.23	.23
1	.06¼	.02¾	Lee Gold	28,800	.03½	.03¾	.03½	.03½
No	7.75	6.45	Little Long Lac	15,051	7.00	7.00	6.45	6.55
1	4.74	3.12	Macassa	54,635	4.56	4.50	4.10	4.10
1	.07	.01¼	Malrobic	56,100	.05	.05	.04½	.04½
No	.20	.12	Mandy	4,120	.18	.18	.17	.17
No	.19½	.05½	Man. & Eastern	142,800	.19	.19½	.14½	.14½
1	.15	.05½	Maple Leaf	19,000	.12¾	.12¾	.10	.10
5	49.25	40.75	McIntyre	4,415	43.37	44.00	41.25	41.25
1	1.62	1.39	McKenzie R.L.	29,558	1.52	1.53	1.38	1.39
1	.56	.45	McKinley	600	.55	.55	.51	.55
1	.14	.02¾	McMillan	80,110	.09¾	.11½	.09	.09
No	1.65	1.40	McWatters	22,150	1.44	1.46	1.34	1.36
1	.42	.21	McVittie	23,630	.35	.35	.30	.31
No	1.50	1.25	Mining Corp.	2,842	1.37	1.44	1.33	1.33
No	.13	.07½	Minto Mines	9,500	.07½	.13	.08	.12½
1	.12½	.06	Moffatt Hall	23,100	.11½	.10½	.07¾	.07¾
1	.13	.06¾	Moneta	3,800	.12	.12	.10	.69
1	.80	.58	Morris Kirk	25,252	.70	.71½	.68	.69
1	.04¾	.00¾	Murphy	234,900	.04½	.04¾	.03	.03½
No	.04	.02	Newbee	37,300	.03	.03¾	.02½	.03
1 •	.04½	.01½	Night-Hawk Penn.	40,800	.03½	.03¾	.02½	.03
5	3.05	2.45	Nipissing	2,975	2.77	2.85	2.70	2.70
No	50.25	44.50	Noranda	15,481	49.50	50.25	48.50	48.75
No	.42	.28½	Nor. Canada	16,450	.37	.40	.37	.38
1	.70	.34	O'Brien	6,050	.43	.45	.38	.40
.	.79	.60	Omega	22,940	.70	.70	.60	.60
1	.14	.07	Osisko	4,100	.12	.12	.11½	.11½
No	4.85	3.70	Pamour	11,035	4.00	4.30	3.90	3.90
1	.31½	.18½	Parkhill	110,650	.24	.28	.24	.26
1	.05½	.02¼	Pawnee Kirk	61,800	.04¾	.05	.04½	.04½
1	.84½	.50½	Paymaster	72,800	.73	.74	.65	.65
1	1.20	1.00	Pend Oreille	11,575	1.13	1.13	1.08	1.12
1	1.75	1.12	Perron Gold	42,775	1.43	1.45	1.30	1.36
1	.04¾	.02½	Peterson Cobalt	85,900	.03¾	.04¾	.03½	.04
1	5.00	4.10	Pickle Crow	39,527	4.94	4.94	4.52	4.60
1	12.00	9.60	Pioneer Gold B.C.	2,080	10.00	10.25	9.90	9.90
1	.15	.04	Porcupine Crown	454,400	.11½	.15	.12	.12
1	2.48	1.80	Premier Gold	43,460	2.40	2.48	2.20	2.25
1	.06½	.02½	Preston E. Dome	71,000	.05¾	.05¾	.04¾	.05
No	3.25	2.65	Prospectors Air's	4,000	2.90	2.95	2.70	2.70
1	1.34	.99	Quebec Gold	11,200	1.00	1.11	.99	.99
No	.07½	.04	Quemont	......	.06	(Feb. 17)		
1	2.04	1.43	Read Authier	30,682	1.90	1.96	1.68	1.70
No	.94	.50	Red Lake	79,350	.88	.90	.83	.84
1	1.20	1.01	Reno Gold	28,850	1.12	1.20	1.08	1.09
1	.05½	.01	Ritchie	65,000	.04½	.04½	.03½	.03½
1	.09	.05½	Robb Montbray	80,700	.07½	.07¾	.06½	.06½
1	.09¾	.05½	Roche Long Lac	26,000	.07¾	.07¾	.05½	.05¾
1	3.45	2.75	San Antonio	31,070	2.90	3.05	2.75	2.75
50c.	.72	.56	Sheep Creek	8,100	.62	.70	.63	.70
1	1.33	1.00	Sherritt Gordon	39,069	1.20	1.28	1.17	1.19
1	3.40	3.00	Siscoe	50,370	3.15	3.20	3.00	3.15
1	6.25	4.40	South Amer. Gold	......	6.25	(Feb. 28)		
No	.08½	.04	South Tiblemont	119,350	.05½	.05¾	.05	.05
No	.39	.18½	Stadacona	135,985	.34¾	.35	.28	.28
1	.38½	.18	St. Anthony	38,900	.31	.31	.27	.27
No	4.95	3.00	Sudbury Basin	9,244	4.50	4.75	4.30	4.30
1	.18½	.06	Sudbury Contact	130,550	.13	.18½	.14½	.14½
1	.07¾	.03½	Sudbury Mines	385,900	.06½	.07½	.05	.05¼
1	1.15	.87	Sullivan Cons.	56,192	1.00	1.04	.92	.95
1	2.90	2.45	Sylvanite	12,215	2.62	2.65	2.50	2.52
1	.59	.28	Tashota	75,500	.45	.50	.43	.45
1	5.40	4.69	Teck Hughes	16,875	5.00	5.05	4.69	4.69
1	.04½	.02	Timiskaming	3,500	.03	.03	.03	.03
1	1.50	1.20	Toburn Gold	4,360	1.35	1.40	1.35	1.35
1	.37	.20	Towagmac	6,800	.33	.33	.30	.30
1	.40	.30	Treadwell	......	.40	(Feb. 14)		
No	2.52	1.60	Ventures	55,546	2.39	2.40	2.10	2.10
No	1.32	1.00	Waite Amulet	12,048	1.18	1.30	1.14	1.20
50c	.21	.15½	Wayside	63,500	.17¾	.18	.15½	.15¾
No	.04¾	.03	White Eagle	217,700	.04	.05¼	.04	.04¾
1	.09½	.03	Wiltsey Coughlan	13,600	.07	.07¾	.06½	.06¾
1	.08	.04	Wood Kirkland	50,550	.07¾	.08	.07¼	.07½
No	9.00	7.75	Wright-Hargreaves	6,680	8.25	8.70	8.20	8.20
No	.71	.41	Ymir Girl	2,100	.42½	.46	.45	.46
			OIL STOCKS					
No	.18¾	.14½	Acme Gas & Oil	8,750	.17	.16	.15	.15
1	.70	.50	Ajax	1,150	.59	.61	.55	.55
No	1.39	.65	Calgary & Ed.	9,802	1.25	1.30	1.20	1.20
1	.14	.05	Calmont	3,550	.11	.12	.10	.10
No	.10½	.04½	Common Pete	500	.09	.08½	.08½	.08½
No	.78	.40	Dalhousie	10,635	.63	.64	.45	.50
No	.13½	.06	East Crest	6,800	.08	.10	.09	.09¼
No	.70½	.35	Foothills	1,100	.55	.65	.55	.65
No	.16½	.13	High Sarcee	500	.16½	.16	.16	.16
No	1.46	.70	Home	22,225	1.21	1.22	1.08	1.10
1	.42½	.11	Homestead O.&G.	399,500	.38	.42½	.33	.33
No	.14½	.08	Lowery	100	.12	.08	.08	.08
No	.24	.13	Merland	2,000	.12½	.18	.18	.18
5	.22	.15	Nordon	13,300	.17	.17	.15	.15
No	.07	.04½	Oil Selections	10,700	.06	.05½	.05½	.05½
No	.07½	.04¼	Olga Gas & Oil	86,700	.04½	.04¾	.04¼	.04¼
1	.75	.55	Petrol Oil & Gas	240	.61	.61	.61	.61
No	39.50	29.00	Royalite	3,440	36.25	36.50	34.50	35.00
No	.10	.04	South West Pete	100	.09	.04	.04	.04
No	4.60	1.63	Texas Can.	38,305	3.99	4.40	3.85	3.85

VANCOUVER STOCK EXCHANGE

(Transaction for week to March 7)

Par Val.	Range 1936 High	Low	Company	Sales	Close Feb. 28 (or last)	High for week	Low for week	Close Mar. 7
1	.02½	.01¾	Alexandria	......	.02	(Feb. 4)		
20c	.05	.02½	Beaver Silver	47,500	.02½	.05	.03	.04½
25c	.01	.01	Bluebird	......	.01	(Jan. 10)		
No	7.10	5.60	Bralorne	8,295	6.65	6.95	6.65	6.95
1	.04½	.02	Bridge River Cons	12,000	.03	.04	.05¾	.04
50c	.14	.08½	B.R.X. Gold	54,750	.09½	.14	.09	.12
1	.27	.17¾	B.C. Nickel	185,100	.25	.38	.25	.34
1	1.60	1.50	B.C. Silver	......	1.50	(Feb. 6)		
50c	.08	.04	Canadian Rand	1,900	.07½	.06½	.05½	.05½
1	1.52	1.15	Cariboo Gold	12,650	1.35	1.52	1.35	1.50
1	.18	.12½	Congress Gold	19,200	.13	.17	.13	.17
25c	.00½	.00½	Cork Province	......	.00½	(Feb. 20)		
1	.04	.02½	Cotton Belt	1,000	.04	.03	.03	.03
No	.36	.21	Dentonia	39,100	.25	.25	.21	.22
No	.05½	.02	Dictator	175,800	.03	.05½	.04½	.05½
1	.04¾	.03½	Dunwell	5,000	.04	.04¾	.04	.04¾
No	.08	.03	Fairview Amal.	43,050	.04	.07	.03¾	.06¾
50c	.47	.35	Fawn Mining	13,100	.45	.45	.45	.45
1	.10½	.03½	Federal Gold	4,500	.03½	.07	.03½	.03½
1	.25	.20	George Copper	20	.25	.20	.20	.20
50c	.05½	.05	George Enterprise	......	.05	(Jan. 11)		
1	.01¾	.01¼	Georgia River	11,500	.01½	.01½	.01½	.01½
1	.24	.11	Golconda	20,200	.22	.24	.22	.22½
50c	.39½	.29	Gold Belt	9,650	.34	.35	.30	.35
50c	.09	.05	Gold Mountain	8,000	.07½	.07½	.07	.07½
50c	.03½	.02	Grandview	3,200	.02½	.02¾	.02	.02¾
No	.04½	.02	Grange Mines	22,500	.03	.03¼	.02¾	.03¼
1	.10½	.07	Grull Wihksne	7,300	.08½	.08½	.08	.08½
25c	13.50	13.00	Hesla	......	13.00	(Jan. 14)		
No	.04½	.03	Haida Gold	......	.04	(Feb. 24)		
50c	.27	.22	Hedley Amal.	7,700	.23	.25	.22	.23
No	.05	.05	Hedley Sterling	......	.05	(Feb. 15)		
No	.05	.02	Home Gold	15,000	.03	.03	.02	.03
1	.00¾	.00½	Independence	......	.00¾	(Feb. 21)		
1	.02½	.02	Indian Gold	7,500	.02¼	.02½	.02¼	.02¼
50c	1.40	.95	Island Mountain	13,775	1.25	1.35	1.23	1.30
1	.20	.18	Inter'tl Coal	1,000	.20	.19	.19	.19
50c	.52	.30	Kootenay Belle	45,050	.40	.52	.40	.51
25c	.00¾	.00¾	Koot. Florence	......	.00¾	(Feb. 27)		
10c	.02	.01½	Lucky Jim	......	.02	(Feb. 27)		
No	.14½	.08½	Mak Siccar	4,700	.09½	.09½	.09	.09
50c	.00¾	.00½	Marmot Metals	......	.00¾	(Feb. 21)		
1	.18	.12	McGillivray Creek	3,000	.18	.17	.17	.17
50c	.14½	.07½	Meridian Min.	27,540	.13½	.14½	.12	.14½
No	.12	.07	Minto Mines	180,300	.07¾	.08¾	.07½	.11
No	.03½	.02	Morning Star	41,800	.02	.02¼	.02	.02
1	.00¾	.00½	Morton Woolsey	2,000	.00½	.00¾	.00½	.00¾
25c	.03½	.02	National Silver	44,400	.02¾	.03¼	.02¾	.03
50c	.12	.07½	Nicola	21,800	.08¾	.09¾	.08	.09¾
50c	.05½	.03¾	Noble Five	103,200	.04	.05½	.04	.05
No	.03¾	.02	Pilot Gold	9,700	.02½	.03	.02½	.03
1	11.85	9.60	Pioneer Gold	2,905	10.40	10.40	10.05	10.25
50c	.07	.04½	Porter Idaho	40,950	.04½	.07	.04	.05½
No	.00¾	.00½	Premier Border	13,000	.00¾	.00¾	.00¾	.00¾
1	.02	.01	Quatsino Copper	3,000	.02	.02	.02	.02
25c	.05	.05	Quesnelle Quartz	......	.05	(Feb. 24)		
No	.12	.08	Reeves McDonald	3,600	.10	.12	.10	.12
1	.48	.36	Relief Arlington	29,900	.43	.45	.38	.40
1	1.21	1.00	Reno Gold	29,900	1.14	1.21	1.10	1.19
1	.03	.02	Reward Mining	500	.03	.03	.03	.03
1	.03	.01½	Ruth Hope	1,000	.03	.01½	.01½	.01½
1	.15	.08	Sally Mines	5,200	.10	.10½	.08	.10½
50c	.13½	.08	Salmon Gold	4,800	.08½	.10	.08½	.10
50c	.72	.55	Sheep Creek	15,700	.62	.72	.62	.72
25c	.01	.00½	Silvercrest	74,000	.00½	.01	.00¾	.00¾
20c	.02¼	.01	Silversmith	31,300	.01½	.02¼	.01¼	.01¼
50c	.00¾	.00½	Snowflake	4,000	.00¾	.00½	.00½	.00½
1	.54	.45	Standard Silver	......	.48	(Feb. 26)		
10	24.25	21.00	Sunshine	......	21.00	(Feb. 19)		
No	.15	.07½	Taylor Bridge	2,300	.07¾	.09	.08	.09
1	.11	.07	Taylor Windfall	......	.07	(Feb. 19)		
50c	.02	.02	United Empire	......	.02	(Jan. 30)		
No	.90	.65	Vidette Gold	17,100	.75	.82½	.68	.81
No	.00¾	.00½	Viking Gold	......	.00¾	(Jan. 30)		
No	.01¾	.01	Waterloo Gold	2,000	.01	.01¼	.01	.01¼
25c	.01	.00½	Waverley Tangier	5,000	.01	.00¾	.00¾	.00¾
50c	.20	.15½	Wayside	17,300	.17½	.18	.16½	.16½
20c	.01½	.01½	Wellington	4,000	.01½	.01½	.01½	.01½
1	.06¾	.04¼	Whitewater	6,000	.04½	.06½	.04	.05¾
No	.69	.42	Ymir Yankee Girl	......	.44	(Feb. 27)		
			OIL STOCKS					
1	.18	.09	Alta. Pac. Cons.	7,240	.15	.16	.14½	.14½
1	.11	.05	Amalgamated	12,635	.08¾	.11	.08½	.10¾
1	.05	.02½	Anaconda	5,000	.04¾	.04½	.04	.04½
No	.04½	.02	Baltac	500	.03½	.04	.04	.04
1	.11½	.05	Crow's Nest	38,100	.08	.11½	.08½	.11
No	.08	.03	Devenish	5,500	.03	.03¾	.03¾	.03¾
No	.12½	.07½	Freehold	6,900	.08	.08	.07½	.07½
No	.07	.04½	Hargal	1,000	.06½	.05½	.05½	.05½
No	.17½	.12	High Sarcee	4,250	.15½	.16½	.16	.16
No	.02½	.01	Madison	2,500	.02	.02½	.01½	.02¼
No	.19½	.11½	Marjon Oil	40,050	.16½	.19½	.16	.19
No	.08¾	.05	McD. Segur Ex.	250	.06	.07	.07	.07
No	.40	.20	McLeod	377	.35	.37	.30	.33
No	.18½	.12	Mercury	21,075	.13½	.14	.13	.13
No	.15	.08	Mill City Pete	......	.12	(Feb. 24)		
1	.25	.20	Model	1,800	.24	.23	.22	.22
No	.09	.04	Okalta	18,700	.05	.09	.06½	.09
No	.07	.04½	Pacalta Oil	15,000	.06	.06½	.06	.06
1	.83	.52	Ranchmen's	3,758	.74	.83	.70	.76
1	.27	.18	Spooner	300	.26	.26	.26	.26
No	.09	.03½	United	2,050	.07½	.08	.07	.07
No	.09	.05	Vanalta	5,200	.08	.07½	.07	.07½
1	.12½	.12	Vulcan	210	......	.12½	.12	.12

Unlisted Mines

March 10, 1936

	Bid	Asked
Albany River	.29	.32
Ardeen	.17	.20
Argosy	.70	.80
Athona (Gt. B. L.)	.39	.43
Athabaska Portal	.25	.29
Bailor	.03½	.04¼
Bidgood Kirkland	.84	.88
Bankfield Gold	.50	.52
Big Master	.24½	.26½
Bosquet Gold	.13	.14
Can. Pandora	.06	.07
Can. Kirkland	.04½	.05
Capital-Rouyn, new	.19	.21
Casey Contact	.04½	.05
Canusa Mining	.30	.33
Capps Gold	.19	.21
Central Porcupine	.17	.19
Chromium	1.97	2.02
Condor	.06	.07
Cons. Chib. Free	..	2.20
Cons. Chib. Pool	..	2.15
Corless Patricia	..	.40
Cuniptau	.25	.27
Dunlop, new	.08	.10
Domestic Nat. Gas	.65	.67
Dorval Sisco Gold	.19	.22
El Bonanza	.09	.10
East Malartic	.33	.36
Forty-Four Gold	..	2.50
Glenora Gold	.20	.23
Galatea	.06	.08
Gilbec	.07	.07½
Gold Eagle	.23	.26
Greenlaw	.05½	.06½
Groundhog	..	.22
Hudson Patricia	.17	.19
Jellicoe	.07	.09
Jowsey	..	.31
Kaw Crow	.18	.20
Keora Mines	.06¾	.07½
Kirk. Gold Belt	..	.14
Lafayette L. Lac	.02¾	.03¼
La Roche	.19	.21
Long Lac Lagoon	.06	.07
Lamaque Gold	3.20	3.30
Leitch Gold	.43	.45
Madsen Red L.	.33	.35
MacL. Cockshutt	.09½	.10½
Magnet Lake	.05	.06
Matachewan Can.	.15	.17
McCarthy Webb	.12	.14
Mosher	.03½	.04½
Moffatt Hill	.06¾	.07½
Moffat Hall (new)	.38	.40
North Shores	.02	.03
Norlake	.41	.44
Oklend	.20	.22
O'Leary	.12	.14
Opemiska	1.70	1.80
Oriole	.09½	.10½
Pascalis	.30	.33
Proprietary M.	..	.52
Phoenix	..	.40
Rice Lake	.07	.08½
Sand River	.27	.30
Shawkey	.77	.79
Shookum	.16	.18
Shinin Tree	.39	.41
Sladen	.85	.38
Slave Lake	.55	.60
Smelter Gold	.07	.08
South Keora	.10½	.11½
Springer	.08	.09
Straw L. Beach	.12	.14
Sturgeon R. Gold	.40	.45
Thompson Cadillac (new)	.22½	.23½
Wells Long Lac	.08	.09
Wingold	.09	.11
Wendigo	.15	.17
Young Davidson	.21	.23

Listed Bonds

Week Ending Mar. 9, 1936

	Int. rate	Due	High	Low	Range 1936 High	Range 1936 Low
Mtl. L. H. & P. Debs.	3	'39	50¾	50¾	51	50
McNish	6	'48	3.25	3.00	3.75	3.00
Mtl. Trams. A	5	'55	85¾	..	87	85¼
Do., B	5	'55	85¾	..	85¾	85¼
Do., D	5	'55	85¾	..	85¾	85¼
Unlisted:						
Cons. Pap.	5¼	'61	33	..	34¾	30¾

Investment Trusts

	Bid	Asked
Trans-Canada	12.30	....
All Can. Com. Trustee Shs.	12.00	12.50
Can. Int. Trustee	5.30	5.75
Grouped Income	5.83	6.35
Can. Invest. Fund	4.15	4.45

Winnipeg Stocks

(Transactions from Mar. 1 to Mar. 7)

	Sales	High for period	Low for period	Close Mar. 7
Bailor Synd.	100	.50	.50	.50
Cons. Goldfields	5,750	.10½	.09	.10½
Can. Rand	500	.08	.08	.08
Flin Flon	8,625	.37½	.34	.35
Dom. Envel., c.	10	1	1	1
Forty-Four	50	3¼	3¼	3¼
Gold Lake	6,900	.50	.46	.49
Gt. West Life	1	395	395	395
Geneva	175	1¾	1¾	1¾
Island Lake	2,000	.05	.04	.04
Gurney Gold	800	.45	.43	.43
Kingfisher	3,000	.03	.02¼	.02¼
Ore Grande	1,000	.07½	.07½	.07½
Rice Lake	1,500	.09	.08½	.08½
Optic Lake	135	2.10	1.90	1.90
Oxford Mines	200	.30	.30	.30
Rice Lake Synd.	13	5¼	5¼	5¼
Scotia	2,800	.06½	.06	.06½
Shawkey	500	.91	.91	.91
Packsack	1,200	.26	.24	.24
United Grain	24	13	13	13
Wingold	8,069	.10	.08½	.10
Wylie Dom.	1,000	.38	.38	.38
West. Brew.	408	2	2	2
West. Steel, pfd.	10	5¼	5¼	5¼
Vanson Man.	5,100	.03	.03	.03
Wallace Lake	4,000	.03¼	.03¼	.03¼
Scattergood	1,000	.10½	.10	.10½

Stocks Not Traded in During Week*

	Bid	Ask.
Beaver Fire Ins.	..	100
Comm. Securities	..	10
Crescent Cream, pf.	35	40
North. Trust	7	..
Pelissiers	..	¼
Do., pref.	50	..
Traders Bldg.	71	..

*Stocks more active on other exchanges not included.

Mining Dividends

	Rate	Close Mar. 9	Yield %
Anglo-Huronian	20c	4.70	..
Buff. Ankerite	20c	4.75	4.2
Bulolo Gold	2.60	33.00	7.9
Cariboo	10c	1.46	6.8
Coniagas†	12½c	3.25	..
Cons. Smelters	$2.50+$4	250.00	..
Dome Mines	$2+$2	47.00	8.5*
Falconbridge	30c	9.05	3.3
Hollinger	65c+25c	14.50	6.2*
Howey Gold	5c	.65	..
Hudson Bay	$1	26.50	..
Int. Coal & Coke‡	1c	.19	..
Inter. Mining	60+5	14.25	4.6*
Int. Nickel, c.	$1	48.75	2
Kirk. Lake‡	3c	.49	..
Lake Shore	$2+$2	55.00	7.3*
Macassa	15c	4.10	3.6
McIntyre	$2	41.25	4.8
McKinley Sec.	5c	.55	..
McWatters Gold†	5c	1.36	..
Nipissing	25c	2.70	..
Nor. Can. Mining	2c	.38	..
Noranda	$2	48.75	4.1
Pickle Crow†	5c	4.60	..
Premier	12c+1c	2.25	6*
Pioneer, B.C.	80c	9.90	8.1
Reno	12+2c	1.09	12.8*
San Antonio	21c	2.75	7.6
Siscoe	20c+1c	3.15	6.6*
So. Amer. Gold	30c	6.25	4.8
Sunshine	50c	21.00	..
Sylvanite	20c	2.52	8
Teck-Hughes	40c	4.69	8.5
Toburn	8c	1.35	5.9
Wright-Har.	40c+20c	8.20	7.3*
Ymir Yankee†	2c	.46	..

‡Interim. †Initial. *Yield includes bonus.

Metal Prices

New York—Mar. 10—

Copper: Electrolytic spot and future, $9.25 to $9.50.

Silver: 44¾c.

London—Mar. 10—

(Long Ton)—

Copper: Electrolytic spot, £40 7s 6d; future, £40 17s 6d. Standard spot £36 7s 6d; future, £36 12s 6d.

Tin: Spot, £214 15s; future, £205 7s 6d.

Lead: Spot, £16 15s; future, £16 17s 6d.

Zinc: Spot, £16 2s 6d; future, £17 7s 6d.

Gold: 141s.

Silver: 19⅛d.

Canada—Mar. 10—

Gold: $35.14.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Capital Wanted

OWNER of 1,000 (one thousand) acres in Sudbury District, adjoining two Nickel producing mines, seeks capital to form company. If interested, write Box No. 290, The Financial Post, Toronto, Canada.

Agency Wanted

YOU can use my experience in selling your products in Montreal and vicinity.

I am 40 years of age with 20 years of valuable sales and business experience. I speak both French and English fluently and have an excellent connection and knowledge of business conditions.

I should be interested in any suitable proposition on a commission basis and am prepared to use my own car in the interests of business.

Excellent references furnished upon request.

P. O. Box 295, Montreal.

Capital Available

IN SUBSTANIAL AMOUNT TO PURchase outright or the control of a long established manufacturing company with a good record of earnings in the past but which has not been as profitable in recent years. Experienced executive with substantial private backing will purchase control of a suitable company which he can then rebuild. Reply in first instance, if you prefer, through your banker or attorney to Box 144, Financial Post, Montreal.

DIVIDEND NOTICES

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 31

NOTICE is hereby given that a dividend of Forty cents (40c.) per Share on the Class "A" Shares has been declared for the three months ending March 31st, 1936, payable on April 15th, 1936 (less 5% Dominion of Canada tax in the case of non-residents of Canada), to shareholders as of record at the close of business on March 31st, 1936. Cheques will be mailed by the Montreal Trust Company, Montreal.

By Order of the Board,
ERNEST ROGERS,
Secretary.
Vancouver, B.C.
March 6th, 1936.

DIVIDEND NOTICE

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating
Hiram Walker & Sons Limited (Walkerville)
Gooderham & Worts Limited (Toronto)
Hiram Walker & Sons Grain Corporation Limited
Hiram Walker & Sons Distilleries Inc.
Hiram Walker & Sons Inc. (Peoria)
Hiram Walker & Sons (Western) Inc.
Hiram Walker Incorporated
Hiram Walker-G. & W. Sales Corporation
Jas. Barclay & Co. Limited
Jas. & Geo. Stodart Limited (Glasgow)
The Stirling Bonding Company Limited (Glasgow)
Distillers, Bottlers in Bond, Distributors, Etc.

DIVIDEND NO. 34

A quarterly dividend of 25¢ a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this Company, payable Monday, March 16, 1936 to shareholders of record at the close of business on February 28.

DIVIDEND NO. 35

A quarterly dividend of 50¢ a share has been declared on the outstanding no par value Common Stock of this Company, payable March 16, 1936 to shareholders of record at the close of business on February 28.

By Order of the Board,
FLETCHER RUARK,
Secretary.
Walkerville, Canada, February 17, 1936.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 33

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent. per annum, has been declared on the 6 per cent. Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending March 31, 1936, payable April 15, 1936, to shareholders of record at the close of business March 31, 1936.

By Order of the Board,
FRED HUNT,
Secretary.

February 26, 1936.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 35

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share), being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending March 31st, 1936, payable April 15th, 1936, to shareholders of record at the close of business March 31st, 1936.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, February 28th, 1936.

United Securities Limited

Notice is hereby given that a dividend of Fifty (50c) cents per share has been declared on the outstanding common shares of the Company for the quarter ending March 31st, payable April 15th, to shareholders of record March 26th, 1936.

By Order of the Board.
JAMES WILSON,
Secretary-Treasurer.
Montreal, March 5, 1936.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 27

NOTICE is hereby given that a Dividend of 30c. per share being at the rate of $1.20 per annum, has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1936, payable April 25th, 1936, to shareholders of record at the close of business on March 31st, 1936.

By order of the Board.
L. C. HASKELL, Secretary.
Montreal, February 25th, 1936.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of one dollar and twenty-five cents per share for the quarter ending March 31, 1936, being at the rate of 10% per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above dividend is payable on April 1, 1936, to shareholders of record at the close of business on March 14, 1936.

By Order of the Board.
W. H. NESBITT,
Secretary.
Toronto 2, March 6, 1936.

DIVIDEND NOTICES

Western Grocers Limited

NOTICE OF DIVIDEND

A dividend of Fifty Cents (50c) per share on the Common Stock of Western Grocers Limited has been declared payable April 15th, 1936, to shareholders of record March 20th, 1936.

By order of the Board.
W. P. RILEY,
President.
Winnipeg, Man., March 4th, 1936.

Western Grocers Limited

NOTICE OF DIVIDEND

A dividend of one and three quarters per cent (1¾%) on the Preference Stock of Western Grocers Limited has been declared for the quarter ending March 31st, 1936, payable April 15th, 1936, to shareholders of record March 20th, 1936.

By order of the Board.
W. P. RILEY,
President.
Winnipeg, March 4th, 1936.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st March, 1936, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 1st day of April, 1936, to shareholders of record of the 20th March, 1936.

By Order of the Board,
DUDLEY DAWSON,
General Manager.
Toronto, 13th February, 1936.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of EIGHT PER CENT PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable WEDNESDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fourteenth day of March, 1936.

By order of the Board.
WALTER F. WATKINS,
Secretary.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1936.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of May to Shareholders of record of the 21st day of April, 1936.

On the Common Stock, Seventy-five Cents (75c.) per share, payable on the 15th day of May to Shareholders of record of the 5th day of May, 1936.

By Order of the Board,
Montreal, C. B. ROBINSON,
March 2, 1936. Secretary-Treasurer.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 15, 1936, at 10 o'clock A.M., at our registered office, 15 Exchange Place, Jersey City, N. J.

Only stockholders of record at the close of business on Tuesday, March 17, 1936, will be entitled to vote at said meeting notwithstanding any subsequent transfer of stock.

The stock transfer books will not be closed.

The Borden Company
WALTER H. REBMAN, *Secretary*

Ottawa Light Heat and Power Company, Limited

Quarterly dividends as follow, are payable 1st April, 1936, to Shareholders of record 14th March, 1936:

PREFERRED STOCK: 1⅝%, (being at the rate of 6½% per annum).

COMMON STOCK: 1½%, (being at the rate of 6% per annum).

The transfer books will not be closed.

By Order of the Board,
F. W. FEE,
Secretary.
OTTAWA, 9th March, 1936.

DIVIDEND NOTICE

Northern Canada Mining Corporation, Limited

Notice is hereby given that an interim dividend of Two Cents (.02) per share on the outstanding capital stock of the Corporation has been declared by the Directors of the Corporation, payable May 1st, 1936, to shareholders of record at the close of business on April 11th, 1936. The Canadian five per cent (5%) tax will be deducted from dividends paid to non-residents.

Shareholders are particularly requested to see that certificates held by them are properly registered on the books of the corporation. As mentioned above, the dividend is payable to shareholders of record on April 11th, 1936. Our transfer agents are The Trusts and Guarantee Company, Limited, 302 Bay Street, Toronto, Ontario.

By Order of the Board,
H. F. CASSIDY,
Secretary.
Toronto, 6th March, 1936.

No. 2

Associated Breweries of Canada Limited

DIVIDEND NOTICE

Notice is hereby given that a Quarterly Dividend (No. 30) of 1¾% upon the outstanding Preferred shares of the Company has been declared, the said Dividend to be payable on or after the First day of April, A.D. 1936, to Shareholders of record at the close of business on the 14th day of March, A.D. 1936.

Notice is also given that a Quarterly Dividend (No. 24) of Fifteen Cents (15c) per share on the No Par Value Common Shares of the Company issued and outstanding has been declared, payable on or after the 31st day of March, A.D. 1936, to Shareholders of record at the close of business on the 14th day of March, A.D. 1936.

By Order of the Board,
I. N. WILSON,
Secretary-Treasurer.
Calgary, Alberta, March 6, 1936.

Week In Wheat

Buying Subsides

* * * *

Deliveries Pick Up

From Our Own Correspondent

WINNIPEG.—Once last week's excitement over the European situation had subsided the wheat trade became very quiet. Liverpool and Continental markets apparently feel more secure because stocks afloat have been built up to a fairly high level. Arrivals within the next few weeks will be heavy, because of large Australian supplies on the way.

* * * *

The Canadian Wheat Board continues to put out sufficient wheat to meet all demands. When buying for export falls off, however, very little other wheat is required.

* * * *

Final movement of grain from country elevators to the head of the lakes is now proceeding at a fairly high rate. There is plenty of room in the terminal elevators, and preparations are being made, by getting stocks into position, for a hoped for heavy movement down the lakes at the opening of navigation.

War Scares

MOVEMENT of German troops into the Rhineland last week moved prices upward on all wheat markets. There was nothing comparable to a war scare, but the rise was based on probabilities of a change in European wheat policies. Countries with wheat surpluses, it was calculated, would probably cease their efforts to subsidize exports, and would be more likely to build up home supplies. On the other hand, deficiency countries would be more likely to encourage imports. Nor are such considerations confined to public policy. Buyers of flour, whether bakers or housewives, may be moved by uneasiness in the political situation to lay in stocks, as protection both against possible price advances and against possible shortages.

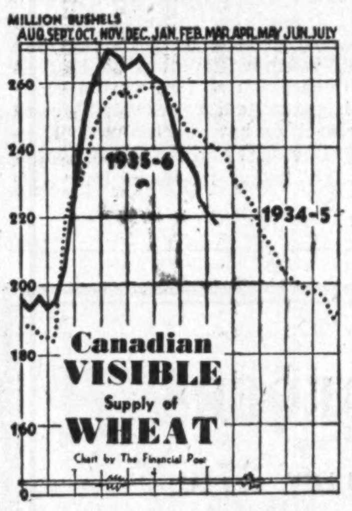
* * *

Confusion Explained

LIVERPOOL observers have been confused over the earlier description of a large part of the western wheat crop as unmerchantable, when unmillable was really the word that should have been applied to low grade wheat. They note that farmers have already delivered more than the total quantity of estimated millable wheat. The explanation of course is that feed wheat has been sold to the Wheat Board by farmers, as the result of the fixed price of 50 cents a bushel paid by the board for this grade. In ordinary circumstances more of it might have been retained on farms.

It is also the case that rather more of the crop has been found to fall in the lowest grades of milling wheat, Nos. 5 and 6, and somewhat less of it in the feed grade, than had been anticipated. The sales of feed wheat have proportionately been fairly good, as United States, Japan and Eastern Canada have all absorbed some of it.

Not So Fast



Decline of Canadian visible wheat in marketable positions was not as rapid last week. Increased country elevator deliveries by farmers, due to better weather, offset the outward movement. Visible dropped less than three million bushels compared with nearly six the week previous and an average of over five million weekly for the last month. Export clearances also moderated.

Details in bushels of visible and export clearances follow:

	Canadian Visible	
March 5	week previous	Last year
219,251,000	222,858,000	239,405,000
	Export clearances‡	
2,738,847	5,289,765	1,969,405

‡Plus U. S. imports.

Steel Co. of Canada Marks Anniversary

To commemorate its twenty-fifth anniversary, Steel Co. of Canada has issued a brief sketch of its history and of the consolidation and growth of the units formed into the existing corporate structure.

DIVIDEND NOTICES

A. J. Freiman Limited

DIVIDEND NOTICE

A dividend of one and one-half per cent (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman, Limited, being at the rate of 6% per annum, will be paid on the 1st day of April, 1936, to shareholders of record March 14th, 1936.

By resolution of the Directors.

Dated at Ottawa, the 9th day of March, 1936.

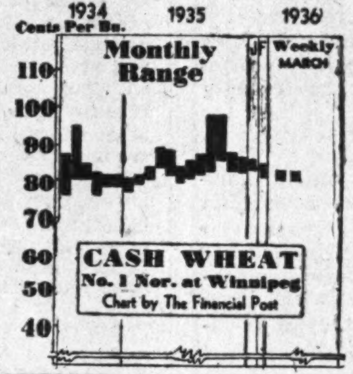
S. R. OUELLETTE,
Secretary-Treasurer.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st April, 1936, to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.



Flour Exports Continue Gain

While Canadian February flour exports were slightly below the previous month they were approximately 30,000 barrels ahead of February a year ago. Value was also higher. Actual shipments were 340,102 barrels valued at $1,429,000 as compared with 309,729 in February 1935 valued at $1,167,000.

Wheat Flour Exports

	1935-36 (bbls.)	1934-35 (bbls.)
August	376,562	412,089
September	395,640	369,320
October	501,442	485,549
November	525,368	504,384
December	443,828	340,751
January	341,311	346,099
February	340,102	309,729
Total	2,897,253	2,767,919

Reliance Grain Year Better Than Comparison

An error was made in The Financial Post last week in commenting on 1935 earnings of Reliance Grain Co. The 12 months' results were compared with those for the 17-month period ended Dec. 31, 1934, but without giving due consideration to the greater length of the 1934 period. Consequently the comparative earnings were inadvertently made to appear lower than was actually the case.

The reason that the 1934 period was one of 17 months was that the end of the fiscal year was changed from July 31 to Dec. 31. Returns for the additional five months were included in the report for 1934.

Winnipeg Grain Prices

Week to Mar. 10, 1936

Crop year from Aug. 1, 1935 High	Low		Open Mar. 4	High for week	Low for week	Close Mar. 10
		Wheat				
1.02¼	.82¼	May	.83½	.85½	.83⅛	.84⅜
.92⅞	.83⅛	July	.84½	.86⅛	.84	.85⅜
.89	.82⅛	Oct.	.84¼	.86¼	.84	.85¼
		Oats				
.35⅝	.29⅝	May	.33⅛	.33¼	.32⅜	.32¾
.33⅜	.30	July	.33⅜	.33⅛	.31⅝	.32
		Barley				
.42½	.34⅜	May	.39⅛	.39⅛	.38	.38¾
.40⅛	.35⅝	July	.39½	.39⅝	.38⅝	.39⅜
		Flax				
1.65	1.33	May	1.58½	1.59⅛	1.58⅛	1.58⅜
1.63	1.40¼	July	......	1.55⅜	1.54¼	1.55⅜
		Rye				
.51⅞	.41¼	May	.45¼	.46½	.44½	.45½
.48½	.43⅛	July	.46¼	.47½	.45⅜	.46½
.49	.46⅜	Oct.	.47¾	.49	.47¼	.48¼

Northern Elevator Company Limited

Incorporated 1893

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LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

No More Wheat Handouts Before Ottawa Enquiry

Government Stiffens Attitude — To Investigate All Wheat Dealing Since 1930 — Lose Ground Politically

From Our Own Correspondent

OTTAWA.—Decision of the government this week to bring on the wheat board investigation coincides with the final turn down by the cabinet of all sections of prairie armers, other than 1930 "poolites," seeking handouts from the national treasury.

Bennett Not Pressing

Prospects for a wheat board investigation by the Commons banking and commerce committee faded rapidly when it became plain that Rt. Hon. R. B. Bennett had no intention of proceeding with his demand for a probe. In his first speech of the session, Mr. Bennett made definite charges against the new wheat board, and when invited by Hon. W. D. Euler, minister of trade and commerce, to ask for a committee of enquiry, he said he intended to do so. Passing weeks, however, made it evident that Mr. Bennett had no intention of proceeding and it was commonly believed the government was prepared to let the matter drop.

Board Welcomes Probe

It seems that the wheat board personnel, however, have different views. Believing their integrity has been impeached, they are understood to have demanded a showdown with Mr. Bennett and, consequently, the government has decided to take the initiative in bringing on the enquiry.

Mr. Bennett's charges were confined to policies pursued by the wheat board on Dec. 12 and 13 last, when Argentine boosted wheat prices. He asserted that the wheat board so conducted itself, on this occasion, that exporters were able to obtain large quantities of wheat at less than market value, thus making a killing at the expense of the national treasury.

The committee may begin with the Argentine flurry of last December, but it will proceed to cover, in a general way, the entire period of Dominion operations in wheat—December, 1930, to date — and, in all likelihood, will end up in a Royal Commission being appointed to complete the job.

This week has seen a belated effort on the part of the cabinet to protect the treasury from further inroads on account of wheat. When the government announced it would put up the money to assure 1930 pool farmers a minimum price of 60 cents per bushel, the way was opened for two additional claims. Non-pool wheat growers, of 1930, demanded equality of treatment. Also, farmers who marketed their wheat in 1935 prior to the announcement by Mr. Bennett, in September, of the minimum price of 87½ cents per bushel, demanded equality of treatment with the rest of the producers who received the minimum price. The government has refused both requests and, also, has anonunced that the payments to the 1930 pool farmers will cost less money than was originally estimated.

So far as the 1935 claim is concerned, the cabinet refuses to admit legal responsibility and cites the Wheat Board Act (1935) to prove the point. Farmers contend this statute instructed the wheat board to recommend to the government a minimum price to apply on all the crop. This, it appears, has been the general impression in the west.

Actually, the statute contains no guarantee of equality of treatment, nor does it provide for a minimum price applicable to all of a crop.

Likewise the claim of the 1930 non-pool farmers is being ignored. It would have cost the treasury approximately $3,000,000.

Pool Payment

Early estimates of the cost of the proposed payment to 1930 pool farmers varied, within narrow limits, around $6 millions. In 1930, the pools paid initial payments of 70 cents, 60 cents, 55 and 50 cents. The government is equalizing these at 60 cents and this will be done direct from the treasury and not through the pool organizations.

Politically, it is generally conceded the government has lost heavily. The payment to the pools has been cut so sharply that there will be little gratitude in that quarter. Other elements in the prairie wheat growing community have received a blunt turndown and cannot be expected to react favorably to the course the government has elected to pursue.

CREDITORS WORRIED

From Our Own Correspondent

REGINA.—Much disappointment has been caused, although not among farmers, by the report that the government intends to make direct payment of the money to be provided for adjusting wheat pool prices on the 1930 crop. The disappointment is among farmers' creditors, who counted on cashing in heavily on the proposed payment, and believed they were about to do so if it should be made through pool channels. The wheat pool, when it made its initial payment on the 1930 crop, gave each farmer a participation certificate, or series of certificates representing his claim to any further sums that might become payable.

A great number of those certificates passed into the hands of banks and other farm creditors.

Presumably it will be entirely different if the money is paid out direct by the government, and the assignments in question might be regarded as of no value.

Wheat Prices

(Cash Quotations)

At Winnipeg:	For Week Mar. 10 High $	Low $	Prev. Week High $	Low $
1 Man. Hard	.84¼	.82¾	.84½	.82½
1 Northern	.83¼	.81⅝	.83½	.81⅜
2 Northern	.80¾	.79⅛	.81	.78⅞
3 Northern	.76¾	.75⅛	.77	.74⅞
4 Northern	.73¼	.71¾	.74	.71½
5 Wheat	.65½	.64	.66¼	.63¾
6 Wheat	.56	.54½	.56¾	.54¼
Feed Wheat	.47	.45½	.47¾	.45¼
Vancouver: Week to Mar. 6:				
1 Northern	.82	.81½	.84	.82

Competitive Export Prices:
(March) shipment:

	High	Low
	Week to Mar. 6	
No. 1 North. (Vanc.)	1.00⅜	0.98⅝
No. 2 North. (Atlan.)	0.98⅞	0.97⅛
No. 2 North. (Vanc.)	0.99¼	0.97½
Argentine Rosafe	unquoted	
Do., Barusso	unquoted	
Australian (Afloat)	0.91¾	0.89⅝
Australian	0.93⅜	0.91¼
French	0.80¼	0.79⅜

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RELIANCE GRAIN COMPANY LIMITED

And Its Subsidiaries

Province Elevator Company Limited and Alliance Grain Company Limited

CONSOLIDATED BALANCE SHEET—DECEMBER 31, 1935

ASSETS

Current Assets:		
Cash in Office and in Hands of Paying Agents		$ 25,290.81
Grain, Coal and Wood—per inventories certified to by responsible officers of the Company—		
Grain (after deducting stored grain) located at country, terminal, eastern and seaboard elevators, valued on the basis of market prices. December 31, 1935	$6,317,946.55	
Coal and Wood, located at country elevators, at cost	37,633.14	
		6,355,579.69
Accounts and Advances Receivable		514,212.98
Accrued Storage on Stored Grain		9,019.77
		6,904,103.25
Farm Property, Mortgages and Agreements, at book values		56,687.64
		6,960,790.89
Investments in Subsidiary and Allied Companies:		
Smith-Murphy Company Inc.—Shares at cost, being less than value at date	250,000.00	
Smith-Murphy & Milroy Limited—Shares at written down book value, being less than value at date	32,000.00	
		282,000.00
Membership and Shares:		
Grain Exchange and Other Trade Associations, (Market Value $139,350.00), at cost		102,598.10
Bonds of the Company:		
Purchased in anticipation of Sinking Fund requirements, at par		49,800.00
Properties:		
Terminal Elevator Site, Buildings and Machinery, and Country Elevators, Dwellings, Flour Sheds and Coal Sheds valued at— (a) Appraisals of properties at inception of Company by The Barnett-McQueen Construction Company Limited, dated November 5, 1927, respecting Terminal property and by N. E. Knudtsen & Son Ltd., dated November 9, 1927, respecting Country properties and (b) Cost respecting subsequent additions	4,220,159.59	
Less Reserves for Depreciation	1,416,112.79	
	2,804,046.80	
Automobiles and Furniture, at depreciated value	8,743.25	2,812,790.05
		$10,207,979.04

LIABILITIES

Current Liabilities:		
Bank Loans (Secured), less Current Account Balances		$ 5,076,381.93
Accounts Payable		293,742.56
Bond Interest, payable January 2, 1936 and prior		49,251.00
Provision for Dominion and Provincial Taxes		27,770.95
		5,447,146.44
Smith-Murphy & Milroy Limited		6,169.05
Smith-Murphy Company Inc.		2,484.67
		5,455,800.16
First Mortgage and Collateral Trust Sinking Fund Twenty Year Gold Bonds:		
Authorized	$5,000,000.00	
Issued—Series "A" 6% maturing January 2, 1948	2,000,000.00	
Less Amount redeemed through Sinking Fund	336,100.00	
		1,663,900.00
Capital Stocks and Surplus:		
6½% Cumulative Preferred Redeemable Stock Authorized—30,000 shares of $100.00 each, of which 20,000 shares are issued	2,000,000.00	
Common Stock of No Par Value Authorized and Issued—100,000 shares	100,000.00	
Capital Surplus	313,040.55	
Earned Surplus, per statement attached	675,238.33	
		3,088,278.88
Contingent Liabilities—		
Guarantees to Bank on account of certain customers against property pledges. Drafts against Grain Documents $417,436.78 and Bills Receivable $10,360.02 under discount.		
		$10,207,979.04

Approved on behalf of the Board.
Sidney T. Smith, Director.
W. A. Murphy, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the accounts of the Reliance Grain Company Limited and of its subsidiaries, the Province Elevator Company Limited and the Alliance Grain Company Limited, for the year ended December 31, 1935, and have obtained all the information and explanations we have required. In our opinion the foregoing Consoldated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the above Companies as at December 31, 1935, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

The Company's share of the profits of Smith-Murphy & Milroy Limited, of Vancouver, and the profits of Smith-Murphy Company Inc. of New York, have not been taken into account.

WILLIAM GRAY & CO.
Chartered Accountants.
Winnipeg, February 22, 1936.

EARNED SURPLUS ACCOUNT—DECEMBER 31, 1935

Balance as at December 31, 1934	$ 711,484.82
Net Profit for the year ended December 31, 1935,	93,753.51
	805,238.33
Deduct Dividends on 6½% Cumulative Preferred Redeemable Stock for the period from December 1, 1934 to November 30, 1935.	130,000.00
Balance as at December 31, 1935	$ 675,238.33

Canada—and the Next Five Years

Prominent Canadian Business and Professional Leaders Outline Main National Issues and Offer Solutions

THE crying need in Canada for a greater sense of individual responsibilty among citizens in public affairs, is stressed by business and professional leaders who contribute to this week's analysis of Canada's chief problems.

Unemployment again looms large, but two contributors, Arthur Purvis and Horace L. Brittain place as the number one problem, restoration of public credit and the balancing of governmental budgets. Other major problems discussed are revival of the durable goods industries and the tragedy of unemployed youth.

* * *

This is the fourth in a series of articles being published by The Financial Post in an effort to construct some definite chart to guide Canada through the next critical years. The viewpoints expressed are all those of leading citizens in various walks of life and are in answer to the following specific questions:

1. What are Canada's five chief problems?
2. How, in each case, should these problems be tackled?
3. What other considerations do you think essential in clearing away major barriers to recovery in Canada during the next five years?

This weeks contributors include:

Arthur Blaikie Purvis was born in London, Eng., 46 years ago. He came to Canada in 1925 after world wide contacts with an affiliate company of Imperial Chemical Industries. Apart from his position as president and managing director of the fifty million dollar Canadian Industries Ltd., he has taken time in recent years to study profoundly the national and fiscal problems of this dominion.

* * *

Horace L. Brittain holds a unique place in Canada as managing director of the Bureau of Municipal Research and Citizens Research Institute of Canada. For nearly a quarter of a century he has devoted his entire energies to a study of municipal and governmental affairs so that his views on Canada's major problems spring from a specialized but far-reaching background.

* * *

Senator W. H. Dennis is an ardent Maritimer whose business life has been built almost entirely around his newspaper, the Halifax Herald. No sooner had he been called to the Senate in 1932 than he began a vigorous campaign to stimulate the tourist business in Canada which led to the establishment of a government travel bureau.

Re-establish Credit And Boost Recovery

By ARTHUR B. PURVIS

The most pressing problems before the country, requiring solution in whole or in part within the years immediately ahead of us are, in my view:—

1.—The re-establishment of the credit of the country;

2.—The correct handling of the relief problem;

3.—The stimulation of the durable goods industry, as an unemployment solution;

4.—The development of the production and sale of primary products;

5.—The fostering of the sense of obligation of citizenship.

A. B. PURVIS

Re-establishing Credit

1.—The re-establishment of the credit of the country. If this, the first of these problems, can be solved, we shall be well on the way to the solution of our other problems, since the confidence so engendered, here and abroad, in our future will bring to our aid all those intangible forces which tend toward the most efficient functioning of our economic system. Therefore this problem transcends at this time in importance all other problems.

Specifically, as I see it, its solution lies along the following lines:—

(a)—The balancing of the Dominion budget, mainly by the normal method of achieving economies.

Immediately the cutting of the cost of the railway service, which both railway systems have testified before the Royal Commission is practicable looms up as the source from which the greatest contribution to such economies can come. If the present state of public opinion prevents this, it is through a failure on the part of the public to realize the great price it is paying in delayed recovery through the budget being unbalanced. An active campaign waged by leaders in political and industrial life to bring home the extent of the unnecessary sacrifice the public is making by its insistence on duplication in this field, and the advantage to it of foregoing such preference as it may have for the existing condition, seems to be the way out.

Provincial Budgets

(b)—The balancing of provincial budgets in order to avoid a continuance of the drains on the national credit.

This can best be achieved by the scaling down of existing duplication in costs of government, and by the willingness to borrow no new moneys except for purposes having the approval of the central government, which phase of the situation we know is being actively tackled by our government. A firm attitude, if backed by national opinion, should bring home to the provinces the advantage to them, and to the country as a whole, of this course.

Handling Relief

2.—The correct handling of the relief problem. A revision of methods for the administration of relief on a national basis is required, so as to take care as economically as possible of the necessities of those in want, without breaking down their independence. Effective action along this line requires close study and report by competent authorities, utilizing our own and the United Kingdom experience to date.

Durable Goods

3.—The stimulation of the durable goods industries. With important avenues now open through the inroads of obsolescence, confidence in the future of the country (which would be the direct result of a balanced budget), combined with a taxation policy calculated to entice those with savings to seek outlets for profit in new enterprises and particularly in housing enterprise—is required. This should bring about a sharp acceleration of the upturn already evident in this field, upon which upturn the absorption of so much of the remaining prevalent unemployment depends.

Primary Products

4.—The development of the production and sale of primary products. The encouragement, financial and otherwise, of all practicable steps toward improving standards of quality and toward more orderly and aggressive marketing methods, of agricultural, sea and forest products is required. Along with this should be a taxation policy which will bring about the maximum activity in mining. In this field undue taxation, and/or uncertainty in regard thereto, have the maximum restrictive effects through reducing the quantity of ore which it pays to treat.

Citizenship

5.—The fostering of the sense of the obligations of citizenship. Every effort should be made to bring home to the people of Canada the obligation upon them to take an active interest in the issues before the country, and to aid their governments in facing these issues squarely, even where this requires temporary sacrifices on the part of all concerned.

* * *

Need Real Efforts Not Just Wriggles

By HORACE L. BRITTAIN

The immediate need of Canada, as I see it, is the balancing of public budgets. In 1934 the governments of Canada—Dominion, Provincial and Municipal—operated on budgets unbalanced to the extent of over $192 millions. That is, governments consumed $192,000,000 of the national resources without being able to show on their balance sheets corresponding assets. It should be—but is not—evident to all that this drain cannot go on forever.

H. L. BRITTAIN

But what can be done about it? Every mistake in policy makes it more difficult to adopt a wise one. In this case we are paying millions for interest on money borrowed to pay interest and to meet deficits. But we have not yet sunk to the quicksands. We can extricate ourselves by our own efforts. But they must be efforts, not wriggles or dodges.

We must and can reduce expenditures. As a country, we have made no real effort. We say we have too much government. But what do we do about it? We do not even know what it means. Does it mean that 27,000 public spending bodies or the 85,000 or 100,000 members thereof are more than we need? Or does it mean that governments are trying to do too many things, or that different governments are doing too many of the same things?

Survey Is Needed

An administrative survey commission for Canada as a whole—Dominion, Provincial and Municipal—is long overdue. What personnel establishment should each governing body, each department, each commission have? What departments in each jurisdiction could, with advantage, be co-ordinated, combined or eliminated? What services rendered by different authorities could be amalgamated or eliminated? What could be saved by centralized control of the permanent staff within each jurisdiction? What could be saved in ALL jurisdictions by the adoption of the merit principle in ALL appointments, ALL promotions and ALL dismissals? How many forgotten men, obsolete offices and moribund services would be disclosed by a country-wide survey of national, provincial and municipal administration? Has the relation of scales of pay in public employment and the incomes of taxpayers and citizens in general changed in the last seven years? How much? Who knows? What could be saved in dollars and human values by the co-ordination of unemployment relief administration? Who is trying to find out? Slashing public estimates is no cure. Some slashes may be more disastrous than some over-expenditures. Real economy does not come without much fasting, prayer, much study and even more determination.

Must Curtail Credit Use

In any event, we must begin to pay as we spend and to spend only as we earn. Credit is based on the ability and willingness to repay loans under adverse circumstances. It is not something to be exploited and exhausted but to be conserved for vital uses. If we are going to be able to use our credit ten years from now for development of our resources, we must drastically curtail its use now and restrict it rigidly to immediately productive purposes.

The second problem is the financing and administration of direct unemployment relief. Outside of works the Dominion Government spent nearly $52 millions on unemployment relief in the year ending March 31, 1935. The expenditures of all Canadian authorities on unemployment relief were probably not less than $125 millions in 1934. We are not only dissipating our financial resources, but are undermining the moral fibre of our human resources. Direct unemployment relief (including "made work" relief) is a narcotic, the demand for which "grows by what it feeds on." Narcotics are necessary but dangerous.

Relief Not Local Problem

Direct unemployment relief is demoralizing many municipalities and has become a sinister element in local politics. Chronic unemployment, due to individual or family weakness, is a local neighborhood problem and, as in the past, should be administered and financed locally. But unemployment relief is not a local problem in its origin and cannot be grappled with effectively by local bodies which by their very nature cannot make use of large scale constructive measures to deal with the problem. Relief, as has been often pointed out, has degenerated into a "racket" in some localities among large sections of the population, and bids fair to become a "racket" in others. It should, of course, be administered by local boards, but not by boards subject to local popular election. The problem is a national one in its origin and a national-provincial one in its treatment.

Until recently the vicious practice of refunding to municipalities a share, on a percentage basis, of the cost incurred by municipalities—a practice which could be condoned only on account of the novelty of the problem and the urgency of the need—was a direct incentive to wasteful expenditure and devious accounting. The lump sum method is better as it makes it evidently worth while to the municipality to exercise economy, but a high degree of constructive efficiency cannot be expected until unemployment relief is divorced from local financing and administration. Neither can real economy be effected until current expenditures are met out of current funds. Certainly a large part of the waste and extravagance of the past has been due to the fact that the money was borrowed.

For Co-ordinated Transportation

A third important problem, it seems to me, is that of transportation in its four forms, by highway, rail, water and air. These four types should be co-ordinated, and can be co-ordinated completely only by national-provincial co-ordination. In the first place they should be co-ordinated financially so that each form will find its proper economic level. To do this, none should be subsidized at the expense of the other or of the general public. Traffic of each type should bear its own costs, not only for salaries and wages but for maintenance and construction of road surface, right of way, canals or landing fields and air harbors. They should be coordinated administratively so that similar governmental regulations would be applied to all. None of the costs of transportation should be a charge against the taxpayer as such. As it is now, the average family which may not stir from its front yard contributes possibly $80 annually to the transportation costs of other people. This is neither wholesome nor just. What ought to be done can be done and finally will be done either before or after collapse.

Suggests Industrial Courts

The fourth problem is a restoration of the balance between the returns of the different types of producers. When the incomes of those in sheltered occupations are pegged while the incomes of others are receding in a time of depression and reduced cost of living, the real wages of one group relatively may go up and that of another go down. The purchasing power of large groups may almost disappear, while in sheltered occupations where the rates of pay are maintained, unemployment appears. The maintenance of the level of public payrolls, while purchasing power in general declines, puts a strain on business and industry, diminishes their employing power and promotes unemployment. Unfortunately a large part of our population depends upon its remuneration on prices in foreign markets, but if we had industrial courts with power to lower or increase apparent salaries and wages according to fluctuation in the cost of living, much might be done to stabilize employment.

Nostrums Leave Their Mark

The fifth problem is the most important of all and the most difficult to solve; that is how to build up and maintain the moral fibre of the body politic. The various nostrums of the "priming the pump," "something for nothing," "manufactured credit," etc. varieties, have made such inroads into what passes for public thought, such large sections of the population have been pauperized in spirit, that a rehabilitation of the pioneer mentality or any approach to it is extremely difficult. Government by deficit, unbalanced budgets, unrestricted borrowing have gone on so long without apparent disastrous consequences, that the public refuse to believe that disaster is possible and interprets every warning as a cry of "Wolf, Wolf." The deepest need of Canada in the field of government is a moral revival marked by wholesale "conversions" among the citizen body.

Up to Electors

When the electorate not only votes, but assures itself that there will be on the ballot names of those for whom they would like to vote, when one section will refuse to profit at the expense of another, when residents of one ward will not try to put an improper part of ward improvement costs on the general public, when it is regarded as a disgrace for public bodies to default on their obligations before every possible attempt to avoid default has been made or for citizens to use public assets which have been acquired at the expense of those who have loaned private funds for public purposes, when representatives and candidates will always do the thing they know to be right rather than what is polite, when people will vote against a man who tries to buy them with public expenditures, when every authority finances its own expenditures, when every utility bears its own costs, when all the public services are based on merit and motivated by a desire for the greatest services possible to the public at lowest possible cost, when public budgets are honest and people appreciate honest budgets, i.e., when efficiency and economy in public affairs become good politics, public deficits will pass away like mists before the rising sun.

• • •

Unemployed Youth Is Tragic Problem

By SENATOR DENNIS

I would rank Canada's chief problems in the following order:

1.—The tragedy of (a) unemployed youth, and (b) working old age.

2.—The general unemployment situation.

3.—The spread between what the consumer pays and what many primary producers receive. I have in mind particularly the farmer, the fisherman, the lumberman and the fruit-grower.

4.—The problem of the public health and the need for an early and thorough investigation looking to the establishment of a national policy of state medicine.

5.—The problem of so amending our machinery of government as to make it adequate to new public necessities undreamed of in 1867.

• • •

W. H. DENNIS

The tragedy of unemployed youth is ranked first and distinct from the general and cyclic unemployment situation, because, in all existing circumstances, it would appear to be a chronic and permanent condition. Tens of thousands of young men in Canada—one might truthfully say, hundreds of thousands—have never had a day's work in their lives, and the majority of them have no prospect of securing work. While the general unemployment situation may be expected to cure itself, in some degree, at least, as in the past, the unemployment of youth will persist so long as prevailing conditions exist: so long as the economic machinery is geared to outworn and obsolete ideas. And the result we have before us today—armies of young Canadians losing hope, confidence and courage, losing manhood and self-respect.

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for SISCOE SHAREHOLDERS

Two Items from the February 27th Issue of *The Northern Miner*, Toronto

AN EDITORIAL (page 4)

SISCOE GOLD MINES

Glancing through the Siscoe report and noting the gains made in every department, one will not, however, find in the balance sheet one of the shareholders' principal assets. There is good will. Public sentiment towards Siscoe has greatly changed in the past couple of years and there has developed a feeling of confidence, worth considerable in the form of market quotations. The internecine quarreling which used to mar Siscoe affairs in its earlier years had disappeared. Many shareholders are to-day expressing regret that it is raising its head again.

Perhaps one of the present board's most important accomplishments has been the disposal of lawsuits which had beclouded Siscoe for many years. They had been a constant disturbance to shareholders and the public, for some of them possessed serious implications. Forceful efforts to end them were made, and were successful at slight cost to the company.

In two years the items of tonnage treated, broken ore reserves, plant valuation, dividends, each show an increase of approximately fifty per cent. Operating costs have been reduced in the face of heavy forward development. Average grade is up from two years ago, and if there has been a decline lately this would be in line with common gold mining experience the world over. No mine is static; new problems constantly arise. New ore conditions have had to be faced at the mine; the figures of results and the general mine picture carry their own indications as to how well these new conditions have been met.

Who shall control a mining company is a question for shareholders themselves to answer. If a dispute arises in Siscoe affairs, it will be up to them to weigh accomplishments and arguments.

*The underlining is ours.

A SUMMARY (page 7)

SISCOE PICTURE IN 1933 AND NOW

The story of progress in the administration of Siscoe Gold Mines Limited during the tenure of office by the present directors is told in the following figures. These show the picture at the close of 1933 and the comparative figures for the year just closed.

	1933	1935
Production	$1,616,487	$2,274,582
Tonnage	96,348	149,070
Taxes	104,989	248,410
Dividends	*644,545	†972,328
Reserve for Depreciation ...	245,099	442,491
Ore reserves ..	200,000	383,217
Lawsuits	6	0
Value of plant..	773,378	1,062,596
Development ..	116,733	156,077
Costs per ton..	$5,346	$5,014

*14c share. †12c share.

¶ ***Uphold the administration that is creating goodwill for your company.***

¶ ***Return your proxy immediately for***

J. B. LYNCH
President

P. E. BOIVIN
Vice-President

and

COL. WM. I. GEAR

SISCOE GOLD MINES LIMITED
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Montreal, Que.

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Featuring Canadian Mining

THE FINANCIAL POST

SECOND SECTION

Pages 17-32

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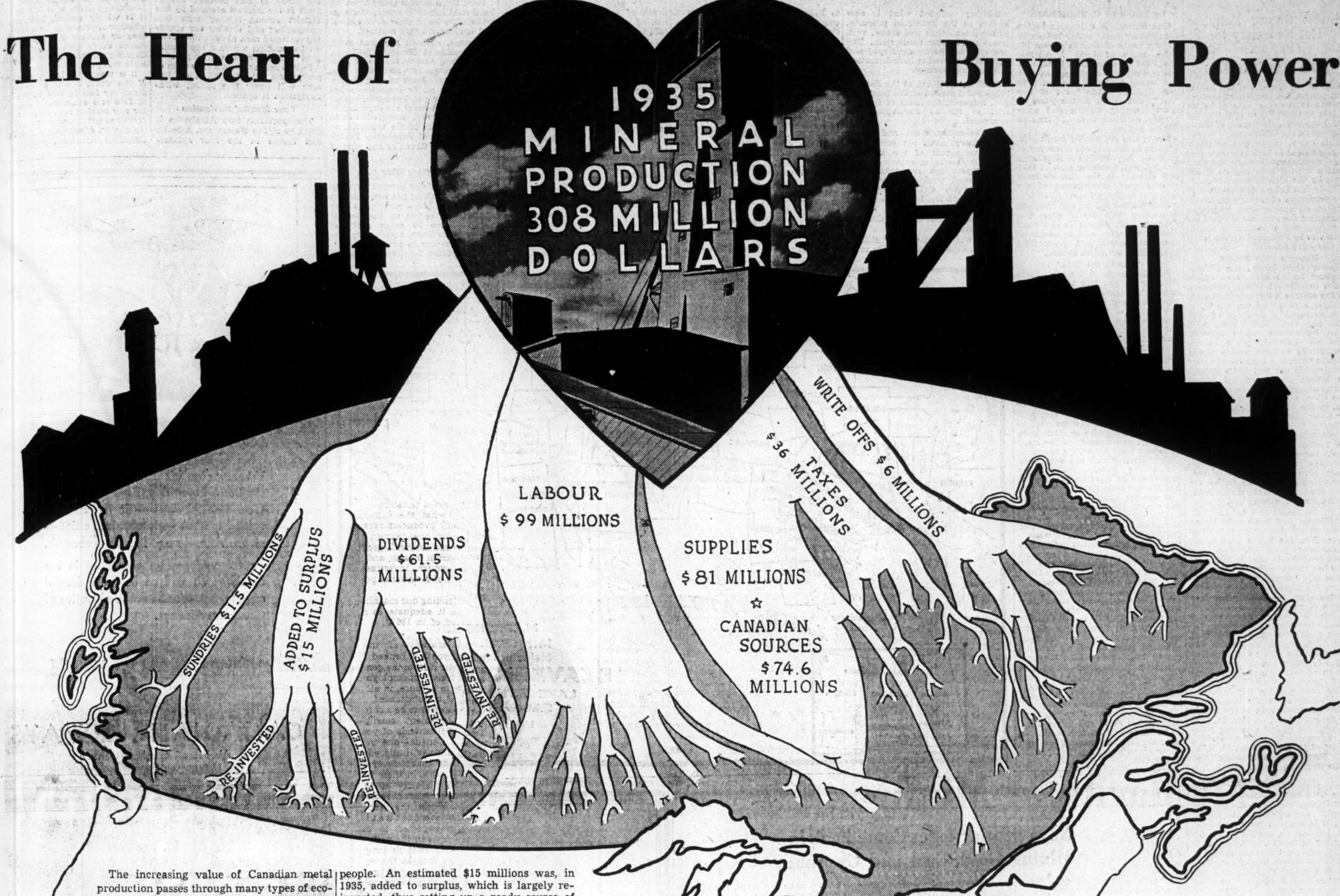
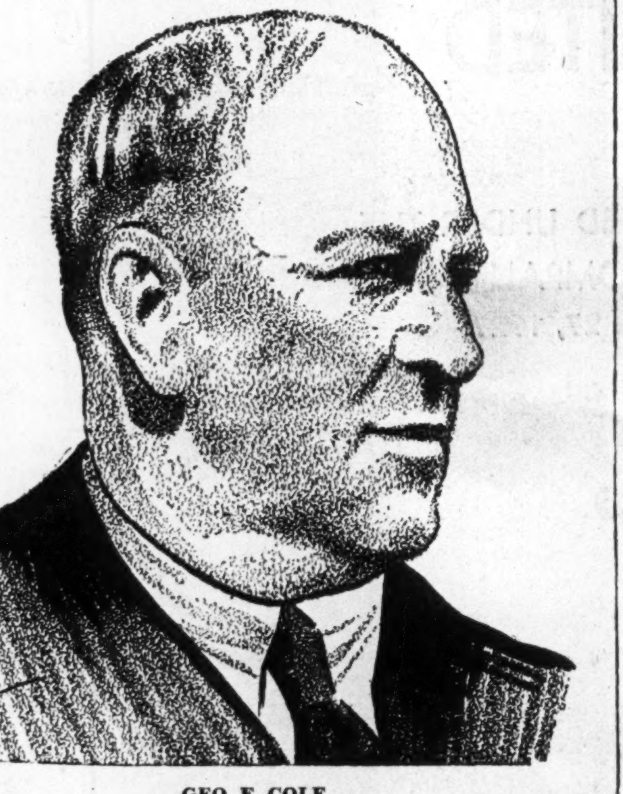
The Heart of Buying Power



The increasing value of Canadian metal production passes through many types of economic "arteries," spreading its purchasing power across the nation. For supplies and labor alone, about $180 millions was spent, nearly all of which was spent in Canada. Taxes and dividends are other channels by which this huge sum reaches the Canadian people. An estimated $15 millions was, in 1935, added to surplus, which is largely reinvested, thus setting up a ready source of capital for other ventures. A large portion of the dividends is reinvested in the same manner.

The mining industry is a very real source of economic life-blood, a true heart of prosperity.

C. I. M. M. President-elect



GEO. E. COLE

Director, Department of Mines, Province of Manitoba, who will guide the destinies of the Canadian Institute of Mining and Metallurgy for 1936. Col. Cole is widely known across Canada and is unusually familiar with every phase of the industry. He succeeds J. G. Ross, retiring president.

MINING COMPANIES REVIEWED

Athona	18	Falconbridge	19	Lamaque	19, 26	Paulore	18
Algoma Mining	32	Falconbridge	20	Lakeside-Kirk.	32	Perron	26
Ashley	19	Gateway Pat.	27	Lacey Gold	18	Pamour	24
Arntfield	19, 26	God's Lake	19	L. B. United	30	Porc. Lake	24
Albany River	27	Gunnar Gold	25	Laguna	31	Porc. Watborn	24
Bid.-Kirkland	32	Granada	26	Minto	28, 30	Packsack	24, 25
Bell Mines	28	Gillies Lake	24	Murphy	21	Parkhill	32
Beattie	19, 26	Grull-Wihksne	29	Macassa	19	R. L. Gold Shore	18
Bunker H. Ex.	21	Greene-Stab.	19, 26	McIntyre	19, 24	Reno	19
Britannia	19	Gordon-Lebel	32	McKenzie R. L.	18	Rice Lake Gold.	25
Bralorne	19, 23, 28	Glenora	32	Minto	28	Ranger	25
B.-Hollinger	19	Gr. Bear Lake	18	Marbuan	24	Smelter Gold	27
Buff.-Ankerite	24	Greenlee Gold	18	Manitou	25	Split Lake	27
B. C. Nickel	26	Guysboro	18	McWatters	19	Siscoe	19, 27
Beauplace	24	Hard Rock	21	Moffatt-Hall	32	Sally Mines	21
Central Pat.	27	Hugh-Pam.	24	Morris-Kirk.	32	Sudbury Cont.	21
Cariboo G. Q.	19, 28	Homestead	24	Madsen R. L.	18	San Antonio	19, 25
Cons. M. & S.	20, 28	Hole River	25	May-Spiers	18	Sylvanite	19, 32
Cent. Man.	20, 25	Hunter Valley	32	Nicola	29	Stadacona	28
Coniaurum	19, 24	Highland Lass	28	Noranda	19, 26	Shawkey	28
Chibougamau	26	Hollinger	19, 23, 24	N. S. Gold	18	Sherr.-Gordon	25
Can. Malartic	19, 26	Howey	18, 19	Nugold	18	Seal Harbour	18
Couchenor-W.	18	H. B. Mining	20, 25	Omega	19	Skookum	18
Cons. M. & S.	29	Int. Nickel	20, 32	O'Neill-T'mpson	26	St. Anthony	31
Cons. Gold	31	Imperial Oil	32	O'Brien	19, 26	Toburn	19, 31, 32
Darwin	30	Island Mountain	28	Olga Gas	32	Tashota	27
Dome	19, 21, 24	Jowsey Isld.	25	Pickle Crow	19, 27	T.-Hughes	19, 32
Dentonia	19, 28	Kaw-Crow	27	Premier	19, 21	Toburn	19, 32
Delnite	24	Kirk. L. Gold	19, 32	Pioneer, B.C.	19, 23	Treadw'l-Yukon	28
De Santis	24	Koot.-Belle	28	Premier	19, 21, 29	Vipond	24
Diana Gold	25	Kelowna	28	Parkhill	30, 32	Wylie-Dom.	25
East Malartic	23	Lake Shore	19, 32	Parkhill	19	Wr.-Hargreaves.	32
Fairview	29	L. L. Lac	19	Paymaster	19, 24	Winoga Pat.	27

Choosing Your Mines

Common Sense Method of Approaching Prospectuses More Effective Than Reams of Paternal Legislation—Eleven Points for Investors to Seek

By WILFRID SANDERS, Mining Editor, The Financial Post

The investor in securities whether mining or industrial is today protected more than ever before.

Apart from the higher price of gold, this trend toward a "fool-proof" security market is probably the most important legacy which the late unlamented depression has left us Whether we like it or not, governments have been "going paternal" to an unprecedented degree. Canada, as much as any country, has been infected with this spirit of reform.

Like Religious War

The outward and visible signs of this inward and spiritual revolution have been many. The books of suspected brokers have been seized, and, if warranted, their offices closed with all the fervor of a religious war. Any promotional literature smacking of high pressure has been frowned upon or banned. Legislation compelling the publication of certain information with every prospectus has been enforced. Selling from door to door or over the telephone has been banned in most provinces. In Ontario, the experiment of requiring all sales literature, progress reports and advertisements to be filed with the Securities Commission was tried out. Various Canadian Stock Exchanges, to a verying degree, fell in step with the new spirit and tightened their restrictions. Tipster sheets by the dozens were closed up and their sponsors arrested or driven out of the country.

The investor was to be protected—or else . . . .

There were some dissenters among the ranks of respectable financiers, brokers and mining men. It was charged, and is still charged, that in their efforts to make the world safe for the investor, the crusaders were stifling legitimate exploration and development.

Good Work Done

No one would deny that the crusade has accomplished a lot. The financial districts of the cities have been cleared of boiler shops and tipster sheets to a large degree. The present buoyant state of the mining market answers, in part, at least, those who feared that restrictive measures would stifle the mining industry.

If the world has not been made safe for the investor, it has, at least, been made more pleasant for him.

The fact is the world can never be made safe for the investor, or for his more adventurous cousin, the speculator. This is true of mining more than of any other industry. Those who are apt to malign the industry on the basis of the money lost in speculation in the past forget this.

Supposing, for instance, the government compelled every mining syndicate to have all details of the ore body available before asking the public to subscribe, there would be no need for public subscription. There is in Canada, and elsewhere, plenty of corporation money available, and the public would not have a chance.

Why isn't this money available even now, for speculations? The answer is that it is available to a certain extent, but the records of those large concerns in Canada who devote much time and money to developing new properties is not particularly good. These concerns have to be hard shelled in a bargain.

Legislation vs. Geology

There is no way of getting around the fact that the development of mines is a highly speculative undertaking. No amount of legislation can overcome the hazards of geology and other physical hazards. Being highly speculative, mining needs speculative, i.e. public, money in its initial stages at least.

Admitting that legislation has done much to aid the investor, it has not done, and cannot do, anything like the good work that the application of common sense on the part of the public can do.

Mining in Canada is no longer a rowdy novelty. It is a specialized industry, and one that has passed the test with honors. It is surely time that this fact was realized by Canadians, and that a common sense attitude was adopted toward new offerings.

While, then, mining in Canada is and always will be speculative in the early stages of a company, it is not a "mug's game," and is susceptible to a common sense approach.

What is a common sense approach? It is an approach which calmly weighs the hazards involved in mining against the profits. It is an approach which before accepting a new venture, looks for certain requisites, without which mining would be a "mug's game."

If the investor, in weighing the pros and cons of a new investment, would learn to look for these requisites, he still might not make a fortune, but he would have the satisfaction of knowing that he had had a run for his money.

What, then, would the ideal prospectus contain?

The following points essential to the ideal prospectus refer specifically to new concerns, where insufficient work to warrant an estimate of ore has been done. They are not exhaustive, but if all are answered satisfactorily, the investor can be fairly certain that the horse he is backing will not be left at the post.

Personnel Important

1. First place must be given to management. If the men behind the proposition are in earnest and capable, the battle is half won. This applies to the financial sponsorship, the company proper, and the mine. The ideal prospectus would give the occupation and record the highlights in the background of each of these.

2. The ideal prospectus would contain a history of the property, stating whether it was brand new, or whether it had been worked before. If the latter, the amount of development work done, and the results, if on record.

3. It would give a competent summary of the findings of the geologist or mining engineer who examined the property with dates. An undated report is like an ungraded egg—something, but what?

4. It would state what other companies were in the area but would not lay too much stress on this. Many a "moose-pasture" adjoins a producing mine. Yet work done on near-by properties may give an invaluable clue as to the geology of the prospect.

5. It would be featured by a complete absence of wordage setting forth what wonderful profits had been made from other mining ventures. Such statements as "You could have bought Lake Shore at 30 cents" are true enough but of no significance whatsoever. You might also have been born the only son of John D. Rockefeller. But why mention it?

6. The offering would not be seeking to raise an exorbitant amount, but only sufficient money to carry out a worth-while development campaign.

Vendors' Stock

7. If units or shares have been given out for the property, or for bonus, they should be in pool, or otherwise tied up so that they could not weaken the market before the property has had a chance.

8. The prospectus would state, of course, whether the shares being sold were treasury shares or not. If not treasury shares, why pay your hard-earned money so that somebody else can make a profit?

9. It would give the assays of representative channel samples across the known width of the ore zone, and would give details as to length. The prospectus would pay little attention to phenominally rich grab samples, but might mention them, modestly. They are interesting but not necessarily significant.

No Circus Freak

10. It would, of course, give wide berth to extravagant phraseology and high pressure talk. A potential mine is not a circus freak which has to be ballyhooed. It needs no suckers' money, and shouldn't ask for it.

11. It would state frankly what the market conditions for the product are. It may be that the world is overstocked with this particular metal.

When all prospectuses offering stock in new ventures contain these eleven perquisites, mining men may congratulate themselves that the mining industry has passed through the hooligan stage, when, to quote Mark Twain, "a mine was a hole in the ground with a liar at the top."

Let's put the liar in the ground, and the hole to work.

Mining vs. Taxation: Fair Treatment Asked

Taxes Jump Almost 500 Per Cent in Past Four Years

Two businessmen were talking. Both had summer cottages near Huntsville, which was the limit of their penetration into the north.

Said one: "You see, when the price of gold rose from $20.67 an ounce to $35, it was pure gravy for the gold mines, and represented an increase of nearly 70 per cent in the price of their product. So why shouldn't these boys get extra taxes, say I? Boy, if I could get 70 per cent more for every car I sell, I'd let the government in on it, and still be tickled pink."

What's the answer? The man's mathematics were right. What about his conclusions?

The answer is that the man's conclusions were wrong because his mathematics didn't go far enough.

In 1931, Ontario's gold mines paid an average of 88¾ cents in taxes for every ounce of gold produced.

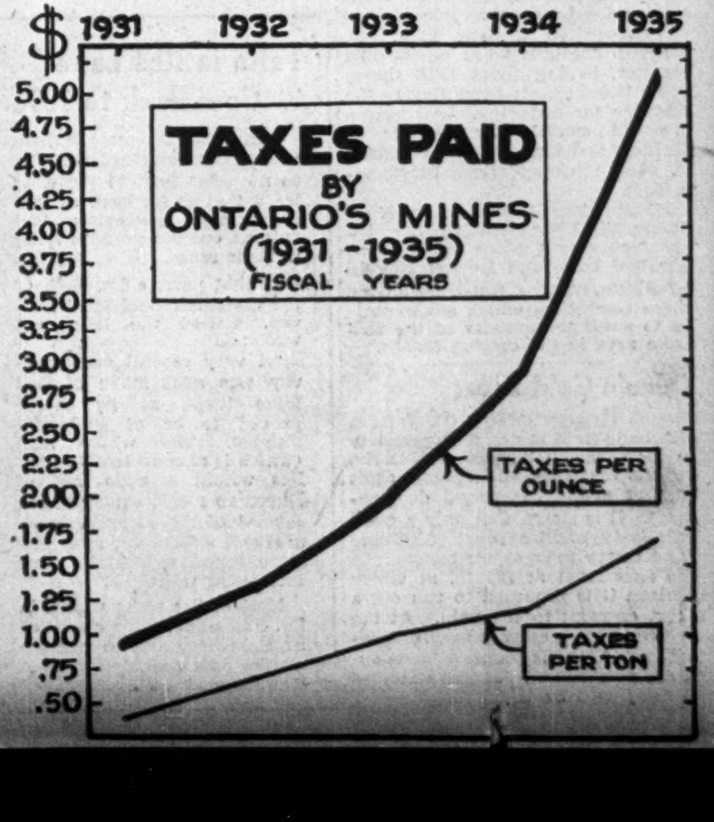
In 1935, just four years later, Ontario gold mines paid $4.88 in taxes for every ounce of gold produced.

How does this 448 per cent increase in taxation stack up against the 70 per cent increase in price?

The businessman was wrong in another sense. In attempting to compare the business of selling cars with that of producing minerals, the man revealed a fundamental lack of knowledge about the industry. He failed to grasp the three major differences between the two industries.

The car salesman and manufacturer is at least sure of a supply of cars. A miner cannot tell whether or not he will find ore in commercial quantities until he has spent a considerable amount of money. In

(Continued on page 30)



New Activity Marks Year At Red Lake

District Shows Ballyhoo Not Necessary to Progress

TWO PRODUCERS

One of the districts which helped gold production from northwestern Ontario to increase from $3,041,701 in 1934 to $6,698,375 in 1935 was the Red Lake area, northwest of Sioux Lookout on the C.N.R.

This camp, which was so disastrously touted in 1926 has, since that time demonstrated very tangibly what a mining area can do if left alone by the high pressure boys.

While Red Lake today boasts only two producers of major size, development on surrounding properties throughout the area has reached the stage where the number is almost certain to be increased before many months have passed.

Howey's Fine Record

Howey Gold Mines, the pioneer producer in the area is an object lesson in efficient mining methods. On the surface it appears impossible to show a profit on ore which, in 1935, averaged a recovery of only $2.72 per ton. But Howey will, when its annual report appears, show an operating profit of approximately $471,449, which would indicate operating costs for the year at only $1.75 per ton. Thus Howey, the lowest grade and the lowest cost producer in Canada is able to earn about six cents per share, and pay, in the form of dividends, five cents per share.

Howey is obtaining encouraging results from its winze, sunk from the 1,500-ft. level to the 2,000-ft. level. Some visible gold and encouraging mineralization has already been encountered. It will, however, be some time before the true ore picture at these lower depths can be determined.

McKenzie Red Lake

McKenzie Red Lake Gold Mines, which started production just about a year ago, has had a particularly outstanding year. Milling now about $60,000 per month, this company has added to its ore extensions on the 250-, 350- and 450-ft. levels, on which development work has been concentrated. No raising has been done between levels so that it is not feasible to offer estimates of new tonnage developed, but company officials state that, roughly speaking, new tonnage will amount to two tons of ore for every ton milled.

The company is now opening up two new levels by a winze from the 450-ft. level.

The cash position has improved considerably since the last annual report appeared, and, at the end of the financial year, on Dec. 31, 1935, the working capital exceeded $300,000, as compared with a working capital of $195,000 on Dec. 31, 1934.

May Be Next Producer

One of the companies which, it is expected, will be in production about August of this year is **Red Lake Gold Shore Mines,** which adjoins Howey on the west. The new "depth" development at Howey will, it is thought, have an important bearing on conditions at this property although, judging from official reports, the grade should be materially higher than Howey's.

It is planned that the mill will have an initial capacity of about 125 tons per day.

The company estimates total reserves indicated to date at about 90,000 tons of ore averaging $23.20 a ton, partly developed on three levels, the lowest being at about 425 ft.

About five miles southeast of Howey is the property of **Madsen Red Lake Gold Mines.** At the present time the company is crosscutting to the vein on three levels, down to the 325-ft. level, on which level the vein has been encountered only 62 ft. from the shaft. Officials of the company state that indications point to better conditions underground than were obtained on surface.

Skookum Gold Mines, which was formed late in 1935, is developing a property just west of Red Lake Gold Shore. To date only surface work has been done, but several intriguing surface showings are reported to have been uncovered. F. M. Passow has been retained as consulting engineer.

Paulore's Two Groups

Paulore Gold Mines has two groups of properties in the area, and is at the present time planning to probe both and drill. One of these groups, at Martin's Bay, has displayed unusually fine free gold samples on surface.

May-Spiers Gold Mines, which is, The Post understands, seeking funds in United States to develop its property at the west end of Middle Bay, plans, when funds are obtained, to start shaft sinking, drilling having indicated an ore width of 4½ ft. running approximately one ounce per ton for a length of 200 ft. according to Dr. J. F. Wright, the company's consulting geologist.

Couchenour - Willans Syndicate, on whose property Hollinger Consolidated did a considerable amount of exploration in 1934 and 1935, plans to continue work on its own account, having about 3,000 shares of its 10,000 shares remaining in the treasury for financing. Last year a fire did considerable damage to building and plant, and this damage is, at the present time, being repaired.

Middle Bay Mines, near May-Spiers, **Big Lode Gold Mines,** which has seen only surface work, **Frontier Red Lake** and **Dupont Hogson Syndicate,** newly formed, are among those companies which are expected to swell the activity of the Red Lake area in the coming season.

Arbade Gold Plans Resumption of Work

Arbade Gold Mines, with property in Matachewan district of Ontario, reports that they will resume shaft sinking and underground development. It is stated that only a comparatively small amount of sinking is necessary to complete the shaft to the first level at 125 ft., at which horizon it is proposed to run out a short crosscut to the vein. At the present time, a crew is busy preparing camps for the proposed development programme. Additional machinery will be taken in.

Athabaska—Gold Camp of '36

Curtain is Rising on New Goldfields Area Under Development By Smelters, Athona and Greenlee—Active Summer Forecast

By THOMAS C. THOMPSON

Gus Nyman is a trapper in the Beaverlodge area—better known by its new name of Goldfields—on the north shore of Lake Athabaska, about 450 miles north of Edmonton.

Gus went into Athabaska in 1920, and stayed there. It was not until 1935 that he made his first trip "out." But in the fifteen years he spent trapping, fishing and prospecting, he made western Canadian mining history.

For it was he, mining men claim, who made the original discovery of gold near Beaverlodge in Athabaska that led to the staking rush of 1934, and directly to the current large scale mining development of the region in northern Saskatchewan.

Consolidated Mining and Smelting is sinking two shafts near Gus Nyman's find, Athona is also shaft sinking near by, and hundreds of other companies and prospectors have staked for miles around.

"Out in the Cold"

But Gus is out in the cold—literally, for he has had to apply for squatter's rights on the ground where he lived for years. He holds two claims of his own, neither of which is the scene of the discovery, but both are promising enough, and may yet yield him the reward he sought in the first place.

If assays from those claims don't "kick," Gus Nyman's name will be added to the long list of prospectors who "found it" but failed to reap the benefits.

The story of Gus is the story of Goldfields. After years spent in Athabaska, Nyman saw no need to rush his ore samples to civilization for assay, and instead, so the story goes, sent them out with a friend.

They showed rich ore deposition, but before Nyman realized the importance of his find, the ground had already been staked.

It was the luck of the game, and has caused plenty of arguments in mining circles before now. How it happened is another story, but from the discovery have emerged important mining potentialities in the four- or five-mile area between the north shore of Lake Athabaska and the southern shore of Beaverlodge Lake.

Smelters Leads Activities

In this section, and extending east and northwest, are signs that Athabaska is due for intensive mining development in the summer of 1936. To date, Consolidated Smelters' operations constitute the most advanced stage of mining activity, but as long ago as 1929, the area adjoining Beaverlodge Point had attracted attention. There have been many disappointments, but signs are increasing that Athabaska is at last coming into its own.

Prospecting was done east of Beaverlodge Point and in the Fond du Lac area by Dominion Explorers and other aerial prospecting concerns six or seven years ago, and ground was staked.

Staking included what is now known as the Errington property, where pitchblende was found, with traces of uranium oxide stain. The property was partly developed and plans are believed to include further drilling this summer.

Smelters' holdings, at the Beaverlodge Point section of the camp, are still, however, the heart of the district so far as development is concerned.

A two-compartment and three-compartment shaft are being used for development of the property which is also being explored laterally. Operations are taking the underground workings below two narrow lakes and the company intends to use No. 1 shaft as an exit for unwanted material, No. 2 shaft being used to hoist ore for milling, it is understood.

With underground work still in progress, little information has come to light regarding values and ore conditions on the Smelters' holdings. Geologically they include a porphyry dyke, mineralized, with sulphides and visible gold.

The ground surface is uninviting, but its disadvantages are overcome by the fact that there is little overburden and outcrops are more easily located in the country rock of the area. Geological formation is unusual, and bears little resemblance to eastern camps.

Athona Development

At the Athona property, for example, adjoining Smelters, there is a granite intrusion of older sediments, and in a porphyry mass are many quartz veinlets with visible gold, sphalerite, galena and sulphides. The ore zone at Athona lies in a north-northeast direction, while that on the Smelters' property runs in a northeast and southwest direction.

Athona's shaft is now down to a depth of over 150 feet and cross cutting is proceeding. A 15-ton test mill is in operation at the property, for use in bulk sampling. Athona, headed by John J. Byrne, was formerly Great Bear Lake Mines.

Progress of development of the Athona holdings is perhaps the best gauge yet available of the potentialities of the camp as a whole. Three main lenses occur in the west zone of the property, with values averaging $14.15, $8.92, and $15.09 in C, D and E lenses respectively, and calculations are that down to 100 ft. in depth these lenses will yield 96,000 tons averaging $12.89 per ton, or over $1,200,000.

The west zone shows an average width of 106.5 ft. for a length of 350 ft., with average grade of $5.01 per ton, leading to a theory, by no means proved, that the camp may develop into a large tonnage, low grade operation.

Greenlee Gold Mines' holdings, a southern extension of the Athona break, and lying on the shore of Lake Athabaska, contain quartz stringers in a porphyry dyke, with visible gold showings and sulphides. The property consists of the former Lee Gold and Greenlaw claims, now consolidated under Greenlee, of which John J. Byrne, president of Athona, is also the directing head.

Here, too, a shaft is going down, by hand-steel and fully equipped camps foreshadow large scale development and exploration this summer.

Murmac, situated east and south of Consolidated Smelters' holdings, and north of Athona, is another well-located property attracting the interest of northern mining circles. No find of major importance has been reported yet, but again, operations in the summer are expected to provide important information as to the possibilities of the property, as well as those of Athabaska Portal, lying north of Greenlee and west of Athona.

Staking Over Wide Area

Northeast of the present development area, staking has been general and Ventures Ltd. is reported to have acquired an option on the Bearcat group. Some 30 miles north of Beaverlodge Lake, further exploration efforts are in progress.

Consolidated Smelters is reported to have recently optioned the Rex group, north of its main property and this is now being diamond drilled. From this section of the camp may also come further evidence of its potentialities this year.

Prospectors, under the direction of Jack Warren, son of J. J. Warren, president of Consolidated Smelters, are reported to have made interesting finds in this section, but so great is the interest aroused by the district among mining men that prospecting and staking are speeding eastward also, as far as the Fond du Lac section where a spectacular gold find was reported last fall.

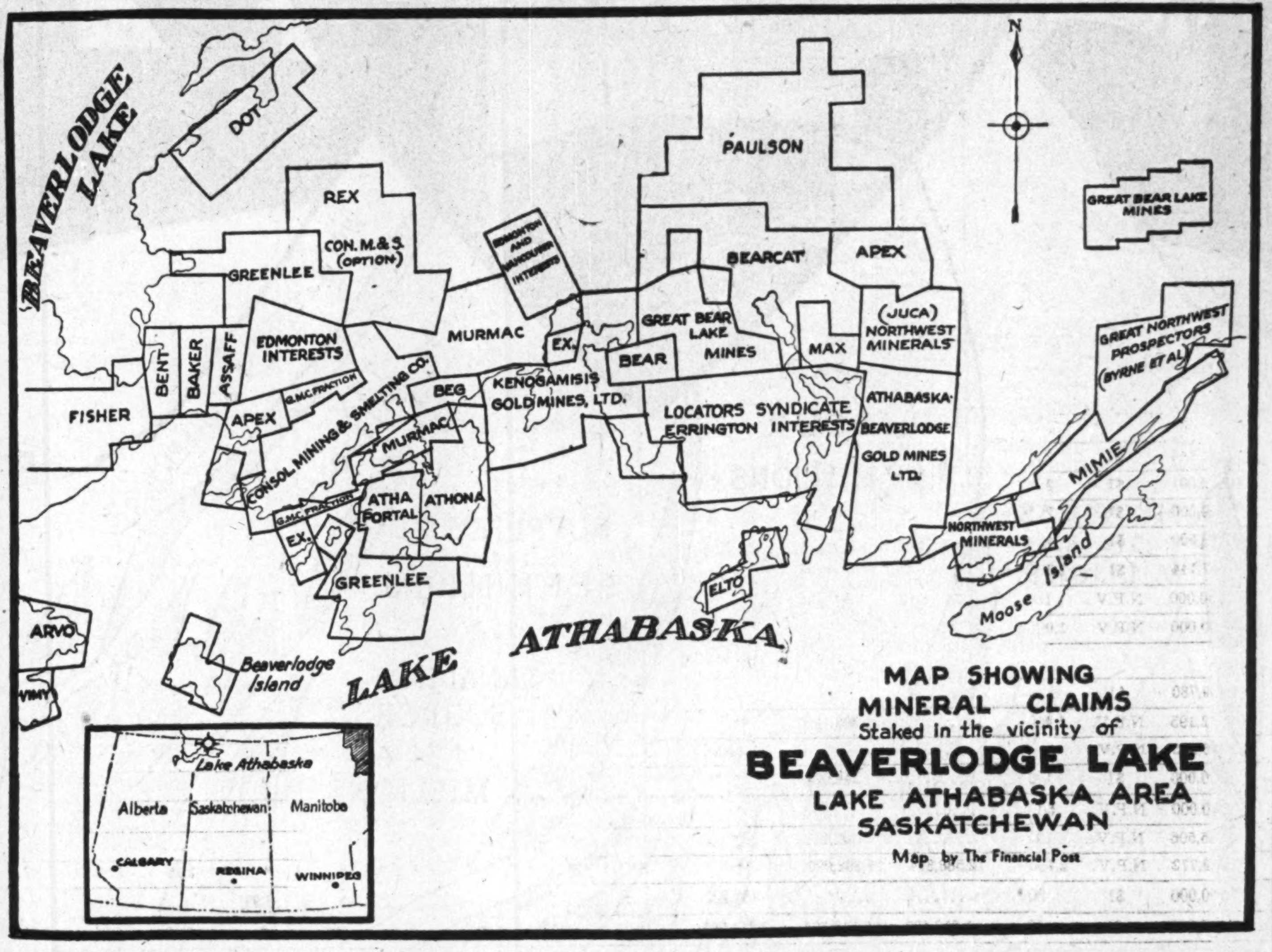
Indications are that a new rush of prospectors into the Fond du Lac area will occur this spring when navigation is opened.

Four Months' Navigation

Transportation into Athabaska is north by rail to Waterways, Alberta, and thence in the four summer months of June to September, by boat. All heavy freight is taken in during the summer at a cost of around $8 a ton. The only other method of transportation for men and lighter supplies at present is by airplane, although with growth of the camp it is possible that road construction will follow.

Athabaska is still a small camp in the sense of actual mining and production from a 15-ton test mill. It is widely staked, however, and whether it proves to be a low-grade area or another Kirkland Lake, it shows every sign of entering the Canadian mining scene on a large scale this year.

It is unproved, in the strict sense of the word, but from the Nyman discovery late in 1934 to the spring of 1936 is a remarkably short time for any mining area to have shown results as encouraging as those in the Goldfields, Athabaska, district of the Canadian northwest.



MAP SHOWING MINERAL CLAIMS Staked in the vicinity of BEAVERLODGE LAKE LAKE ATHABASKA AREA SASKATCHEWAN

Map by The Financial Post

Maritime Mining

Nova Scotia Stages Come back in Mining Gold, Coal and Gypsum

In 1933, gold output from Nova Scotia was practically negligible.

In 1934, gold production was 3,632 ounces.

In 1935, it was approximately 8,000 ounces.

In 1936, government officials estimate that the gold production will be at least 15,000 ounces.

Thus does the gold mining industry of the province advance, substantiating the faith which many have had in Nova Scotia's mineral resources ever since young Nicholas Denys, in 1672, published in Paris, a treatise on his trip to the New World, making special mention of the rich seams of coal visible from the sea.

23 Active Companies

There are 66 known gold bearing districts in Nova Scotia, of which 36 are viewed has having all the potentialities of profitable producing areas. Today, 23 separate operations are being carried on in 19 of the 36 favorable districts.

Among the outstanding of these developments is the operation of **Guysboro Mines,** at Goldenville, three miles from Sherbrooke. It is understood that finances are being provided by Ventures Ltd., large Ontario exploration and holding company. The property is equipped with a stamp mill capable of handling 60 tons of ore per day. The company was formed in June, 1934, and has been carrying on development for over a year, rehabilitating the workings of former operators, and carrying development below the shallow depths reached by its predecessors.

Nova Scotia Gold Mines whose property in the Caribou district is being developed by Consolidated Mining & Smelting Co., is also developing another property at Tangier, where dewatering the shaft to the 500-ft. level, and considerable development work have been done. The company is repairing and modernizing the mill on the property. At the Tangier property, Smelters have sunk to the 1,000-ft. level.

Seal Harbour Gold Mines has carried operations at its Guysboro county property to an advanced stage. Ore has been proved to the 300-ft. level, and the company is going ahead to scheduled production.

Nugold Mining Corp. developing the Blockhouse-Dome property two miles west of Mahone Bay, recently encountered promising ore on the 100-ft. level. A second shaft is down 210 ft. on the property. In 1935, new surface plant and other buildings were erected.

Lake Thomas Gold

Lake Thomas Gold Syndicate has been producing since May, 1934, with a 20-ton per day stamp mill with promising results. The property is at Waverley, in Halifax county. Last November, the company estimated ore blocked out at 33,000 tons, with an average grade of half an ounce per ton.

Lacey Gold Mining Co. at Gold River, in Lunenburg county, has met with success so far in developing ore. A 25-ton treatment plant of the ball mill type has been erected largely for test purposes.

Three years progressive operations are behind **Montague Gold Mines,** at Montague, in Halifax county. The mill is now operating at about 50 tons per day, with development work concentrated on three levels to 385 ft.

Coal Maintains Recovery

Besides noteworthy comeback staged by Nova Scotia in regard to gold mining, coal has continued to be a source of great revenue, and a steady employer of labor during the past few months. In 1935, the province produced over 5 million long tons of coal, and it is hoped that in two years, the province will regain its pre-depression production of over 6 million tons. Whether this goal can be attained or not, depends, of course, entirely on the course of business conditions in the Maritimes, and in Quebec and Ontario, as the coal resources of the province are known to be enormous. The Geological Survey of the Dominion Government, after pointing out that an accurate estimate of the coal resources of the province is impossible, sets a rough estimate at over 2 billion metric tons. This estimate, of course, does not include the submarine areas, which have never been completely explored.

One of the big potential markets for Nova Scotia coal lies in Central Canada. Concrete evidences of advancement in this market are noticeable in 1934 and 1935, due partly to government subventions, and to the fact that after having been tested by Ontario and Quebec industrialists, Nova Scotia coal is breaking down the stiff opposition which it has had to face in these provinces from the United States product.

The tangible nature of this advance is shown by the fact that while Ontario consumed only about 4,876 tons of Nova Scotia coal in 1933, in 1934 this province consumed 15,851. Quebec, which, in 1933, used 1,651,608 tons, in 1934 used 2,961,390 tons. Figures for 1935 are not yet available, but government sources predict that they were substantially the same as in 1934.

Gypsum Recovery

In addition to gold and coal, Nova Scotia boasts by far the largest deposits of gypsum in Canada. Before the depression, Nova Scotia exported about one million tons of gypsum annually. This export trade fell during the depression to a low mark of 300,000 tons in 1933. Since that year a gradual recovery has been noted, the 1935 output being in the neighborhood of 400,000 tons.

This industry, like coal mining, depends wholly on the tempo of business elsewhere, and it is hoped that with the upward trend noticeable in other industries, the 1936 gypsum production of the province will show a material gain.

After being idle for six years, the zinc deposits in Richmond County extensively operated prior to 1929 by British Metals Corp. are again being revived. The rise in zinc prices has permitted work to be resumed, and mining and milling operations have begun.

Faith in Red Lake Goes Back to 1872

It may surprise some of those who regard the Red Lake area as no older than 14 years, to learn that as far back as 1872 government geologists had pointed out the promise lying in these rocks.

In that year, a Dr. Bell, of the Canadian Geological Survey, visited the lake and wrote:

"A very careful track survey was next made of Red Lake itself, as its shores proved to be of geological interest. The whole lake (which is of considerable size) lies within a wide belt of Huronian rocks, among which several of the rarer varieties are well developed, and they were found to contain some interesting minerals."

Most of the rocks which, in Dr. Bell's day, were classified as Huronian, are, in nomenclature now used, described as Keewatin.

World Gold Output

(000's omitted)

	1935	1934	1933	1932	1931	1930	1929
Union of South Africa	10,774	10,479	11,014	11,559	10,878	10,716	10,412
U. S. S. R.	5,650	4,263	2,667	1,990	1,701	1,434	1,065
Canada	3,290	2,972	2,949	3,044	2,694	2,102	1,928
U. S. A.	3,115	2,742	2,276	2,219	2,214	2,100	2,057
Australia	895	887	830	714	595	467	427
Southern Rhodesia	726	691	642	574	532	548	561
Mexico	620	661	638	584	623	670	655
Japan	550	471	441	402	401	389	356
Philippines	431	333	280	230	182	179	161
Korea	400	400	370	312	290	160	138
Congo	375	337	283	255	215	196	173
Gold Coast	356	326	306	279	262	241	208
Colombia	332	344	298	248	194	159	48
India	325	321	336	330	330	329	364
New Guinea	287	189	158	75	44	27	36
Sweden	275	252	136	132	62	34	35
Chile	255	239	147	38	21	17	11
New Zealand	162	160	162	166	130	123	120
Brazil	140	135	121	115	115	97	107
French West Africa	138	99	69	66	33	5	4
Roumania	110	111	127	103	88	71	58
Elsewhere	1,294	1,208	1,068	906	752	772	642
World	30,300	27,620	25,338	24,341	22,350	20,830	19,386

From SEA to SEA

Wherever an air base is necessary in the Dominion to-day, there you will find Canadian Airways — in the sparsely settled tundras — in populous cities — on the Atlantic and Pacific seaboards.

To serve Canadian enterprise in the outposts, as well as in the industrial centres, has ever been the objective of Canadian Airways.

MONTREAL WINNIPEG
TORONTO VANCOUVER

CANADIAN AIRWAYS
Air Bases Throughout Canada

HUDSON BAY MINING and SMELTING CO., LIMITED

INCORPORATED UNDER THE DOMINION COMPANIES ACT
December 27, 1927

Mine and Metallurgical Plants at Flin Flon, Manitoba
Hydro-Electric Plant at Island Falls, Saskatchewan

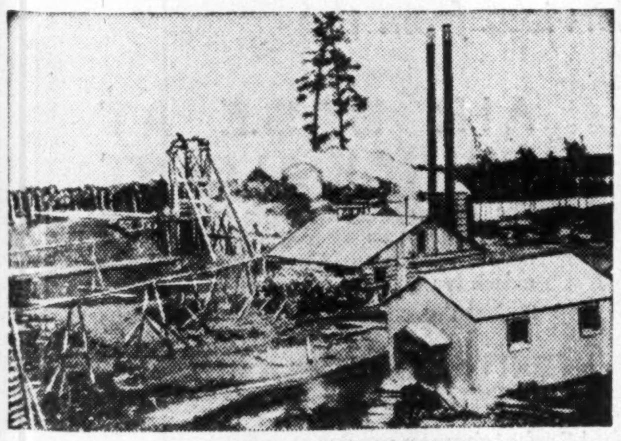
A Composite Picture of Canada's Leading Mining Enterprises

MINE	Location	Product	Prod. Started	Cap. Issued	Par	Tons Daily	Production $ 1933	Production $ 1934	Production $ 1935	Recovery Per Ton $ 1933	Recovery Per Ton $ 1934	Recovery Per Ton $ 1935	Cost Per Ton $ 1933	Cost Per Ton $ 1934	Cost Per Ton $ 1935	Net Profit Per Share $ 1933	Net Profit Per Share $ 1934	Net Profit Per Share $ 1935	Dividends Started	Dividends Rate	Disbursements $ 1933	Disbursements $ 1934	Disbursements $ 1935	Working Capital $	Remarks
BRITISH COLUMBIA:																									
Britannia M. & S. Co.	Britannia Beach	Copper-Gold	1905	91,966	$25	6,500	*	*	*	*	*	*	*	*	*	*	*	*	....	...	...	...	...	......	Howe Sound sub.
Bralorne	Bridge River	Gold	1932	1,000,000	N.P.V.	450	736,947	1,580,324	1,665,000	13.58	16.02	11.75	9.98	8.28	*	0.24	0.80	*	1934	$0.60	...	0.77½	0.30	143,128	Strike, 1935
Cariboo Gold Quartz	Cariboo	Gold	1933	1,333,309	$1	100	....	....	610,905	....	....	14.07	....	12.42	10.42†	...	0.02	*	1935	0.10	...	...	0.02½	*	Mill to be 200 tons
Consolidated M. & S.	Trail	Lead-Zinc, etc.	1933	651,652	$25	6,000	14,755,892	19,157,643	25,400,000†	....	....	....	....	....	....	1.62	3.39	9.60†	1906	...	1.50	3.00	6.50	*	1935 estimated
Dentonia	Greenwood	Gold	1934	1,442,947	N.P.V.	140	....	....	445,000†	....	....	....	....	....	....	...	...	*	....	...	...	...	...	200,000†	....
Pioneer	Bridge River	Gold	1928	1,751,750	$1	400	1,106,855	2,566,970	3,088,866	17.73	26.18	23.46	13.73	11.39	12.15	0.26	0.77	0.91	1931	0.80	0.18	0.65	0.80	1,035,600	Fis. year ends Mar. 31
Premier	Portland Canal	Gold-Silver	1919	5,000,000	$1	400	1,562,939	1,502,697	*	8.43	10.07	*	6.91	8.55	*	0.05	0.07	*	1921	0.12	0.12	0.12	0.13	*	Last fig. 1934
Reno	Nelson	Gold	1929	1,826,306	$1	100	156,961	419,372	700,509	14.19	17.68	20.64	14.39	15.57	13.76	0.02	0.02	0.12	1935	0.12	...	...	0.14	53,111	Year ends June 30
MANITOBA:																									
Central Manitoba	Wadhope	Gold	1928	4,586,372	$1	150	401,980	394,073	519,231	8.13	8.28	9.26	10.36	10.18	9.84	D	D	D	....	...	...	...	...	169,339	Year ends Aug. 31
God's Lake Gold	God's Lake	Gold	1935	3,496,070	N.P.V.	150	....	....	*	....	....	14.00†	....	....	7.00†	...	...	6.75†	....	...	...	...	...	*	....
Hudson Bay M. & S.	Flin Flon	Copper-Gold	1930	2,757,973	N.P.V.	4,300	7,791,644	8,855,615	*	....	....	....	....	....	....	0.31	0.58	*	1935	...	...	...	1.00	*	Last fig. 1934
San Antonio	Bissett	Gold	1932	2,315,238	$1	300	657,470	745,110	*	11.81	11.59	*	8.45	7.40	*	0.09	0.13	*	1934	...	...	0.05	0.21	*	Last fig. 1934
ONTARIO:																									
Ashley	Matachewan	Gold	1932	3,000,000	$1	120	497,969	456,832	431,590	9.27	10.67	9.23	*	8.68	7.80	D	D	*	....	...	...	...	...	*	Last fig. 1934
Barry-Hollinger	Boston Creek	Gold	1926	3,310,375	$1	150	60,653	152,076	*	....	4.54	*	....	5.99	*	D	D	*	....	...	...	...	...	*	....
Buffalo Ankerite	Porcupine	Gold	1926	701,679	$1	900	....	710,832	1,023,802	....	5.68	6.42	....	4.13	4.70†	...	0.18	*	1933	0.20	0.08	0.16	0.20	*	Acqu. Marbuan
Central Patricia	Patricia	Gold	1934	2,500,000	$1	150	....	219,562	774,465	....	19.03	22.00	....	*	14.82	...	0.01	0.10	....	...	...	...	...	114,055	Ex. dev. costs
Coniaurum	Porcupine	Gold	1928	2,717,947	$1	400	939,195	981,851	1,100,000†	4.70	7.11	*	5.71	7.22	*	0.05	...	*	1932	...	...	...	...	900,000†	....
Dome	Porcupine	Gold	1910	1,000,000	N.P.V.	1,500	6,266,957	7,177,086	7,286,191	8.28	12.78	13.27	5.07	5.78	5.25	3.28	4.07	4.41	1915	2.00	1.95	3.50	4.00	*	....
Falconbridge	Sudbury	Nickel	1930	3,325,563	N.P.V.	450	2,979,520	4,265,029	4,829,719	....	....	....	....	....	....	0.34	0.43	0.53	1933	...	0.25	0.28	0.30	2,860,895	Expanding 1936
Hollinger	Porcupine	Gold	1910	4,920,000	$5	8,000	13,778,683	13,988,824	14,704,625	7.97	7.36	8.00	4.75	4.88	5.46	1.17	1.32	1.00	1912	0.65	0.85	1.40	0.90	1,919,517	....
Howey	Patricia	Gold	1930	5,000,000	$1	1,350	1,161,424	1,601,579	1,321,372	3.98	4.04	2.72	3.47	2.93	1.75	0.03	0.08	*	1934	...	...	0.10	0.05	*	....
International Nickel	Sudbury	Nickel	1887	14,584,025 $27,627,825	N.P.V. Pref.	11,000	16,608,523	27,672,126	37,551,343†	....	....	....	....	....	....	0.53	1.13	*	1906	0.60	...	0.50	0.75	*	Expan. under way
Kirkland Lake Gold	Kirkland Lake	Gold	1919	5,239,123	$1	250	521,410	702,720	775,528	10.53	10.81	11.00†	8.06	8.52	*	0.02	0.03	*	1934	...	...	0.03	0.03	*	....
Lake Shore	Kirkland Lake	Gold	1918	2,000,000	$1	2,500	13,277,686	16,382,274	16,026,109	14.30	19.57	19.24	7.77	7.17	7.80	3.61	5.07	4.12	1918	2.00	3.00	3.00	4.00	9,858,184	Fiscal year June 30
Little Long Lac	Little Long Lac	Gold	1934	1,833,000	N.P.V.	200	....	....	1,107,996	....	....	18.18	....	....	*	...	...	0.28†	1936	...	...	...	...	*	Div. start. Jan., 1936
Macassa	Kirkland Lake	Gold	1933	2,628,068	$1	200	....	402,798	1,058,958	....	16.35	15.91	....	9.92	10.07	...	0.06	0.15	1934	...	...	0.05	0.05	360,057	Fiscal yr. March 31
McIntyre Porcupine	Porcupine	Gold	1912	798,000	$5	2,400	5,957,216	7,901,282	8,401,564	8.09	10.17	9.74	5.16	5.85	5.94	2.81	5.06	4.49	1917	2.00	1.37½	2.00	2.00	9,383,271	Fiscal yr. March 31
McKenzie Red Lake	Red Lake	Gold	1935	2,900,000	$1	130	....	....	533,206	....	....	14.76	....	....	....	...	...	*	....	...	...	...	...	*	10 mos. prod.
Omega	Larder Lake	Gold	1936	5,000,000	$1	300	....	....	....	....	....	....	....	....	....	...	...	...	....	...	...	...	...	*	Castle Trethewey sub.
Parkhill	Michipicoten	Gold	1931	2,986,744	$1	100	246,986	271,290	326,649	....	16.64	16.25	....	13.94	14.65	0.02	0.01	0.008	....	...	...	...	...	52,858	Fiscal yr. Sept. 30
Paymaster Con.	Porcupine	Gold	1934	6,850,091	$1	350	....	....	328,755	....	....	7.17	....	....	8.27	...	...	D	....	...	...	...	...	95,339	Fiscal yr. June 30
Pickle Crow	Patricia	Gold	1935	3,000,000	$1	200	....	....	877,891	....	....	*	....	....	*	...	...	*	....	...	...	...	...	*	Mill started April
Sylvanite	Kirkland Lake	Gold	1927	3,299,500	$1	400	899,547	1,558,912	1,584,817	9.35	15.85	12.68	7.82	8.38	8.41	0.06	0.23	0.22	1931	0.20	0.05	0.15	0.20	892,056	Fiscal yr. March 31
Teck-Hughes	Kirkland Lake	Gold	1917	4,807,144	$1	1,300	6,139,175	6,142,873	5,017,156	12.94	12.94	11.83	6.36	5.75	5.17	0.67	0.63	0.49	1926	0.40	0.60	0.60	0.40	1,883,299	Fiscal yr. Aug. 31
Toburn	Kirkland Lake	Gold	1932	1,850,000	N.P.V.	100	657,333	709,166	....	17.80	19.57	....	14.32	15.91	....	0.06	0.07	...	1934	0.08	...	0.08	0.08	......	Premier subsid.
Wright-Hargreaves	Kirkland Lake	Gold	1921	5,500,000	N.P.V.	1,000	2,443,760	7,104,217	7,374,158	12.63	21.47	21.05	8.64	9.17	8.79	0.28	0.70	0.70	1921	0.40	0.20	0.55	0.60	3,527,780	Fiscal yr. Aug. 31
QUEBEC:																									
Arntfield	Rouyn	Gold	1935	2,729,780	$1	170	....	....	178,275	....	....	10.00†	....	....	6.00†	...	...	*	....	...	...	...	...	*	5 mos. prod.
Beattie	Duparquet	Gold	1933	4,772,195	N.P.V.	1,400	....	1,393,150	*	....	4.61	*	....	....	....	...	0.03	*	....	...	...	...	...	*	Ventures subsid.
Canadian Malartic	Fourniere	Gold	1935	3,326,855	N.P.V.	300	....	....	278,391	....	....	7.21	....	....	6.58	...	...	0.006	....	...	...	...	...	13,387	Started April
Greene Stabell	Harricana	Copper-Gold	1933	3,000,000	$1	100	....	246,024	*	....	11.03	*	....	....	*	...	D	*	....	...	...	...	...	*	....
Lamaque	Bourlamaque	Gold	1935	3,000,000	N.P.V.	500	....	....	*	....	....	*	....	....	*	...	...	*	....	...	...	...	...	*	Teck subsid.
McWatters	Rouyn	Gold	1934	1,885,506	N.P.V.	150	....	102,113	*	....	....	*	....	....	*	...	...	*	1935	...	...	...	0.05	*	....
Noranda	Rouyn	Copper-Gold	1927	2,239,772	N.P.V.	2,750	12,588,374	13,398,999	*	8.17	7.54	*	5.25	5.06	*	2.15	2.19	*	1930	...	1.50	2.00	2.00	*	....
O'Brien	Cadillac	Gold	1933	3,250,000	$1	80	....	....	181,232	....	....	9.34	....	....	7.91	...	...	*	....	...	...	...	...	985,849	Fiscal yr. Sept. 30
Siscoe	Harricana	Gold	1929	4,750,000	$1	400	1,616,487	2,116,604	2,274,580	16.78	17.05	15.25	7.98	7.81	*	0.19	0.26	0.23†	1932	0.20	0.14	0.19	0.21	*	....

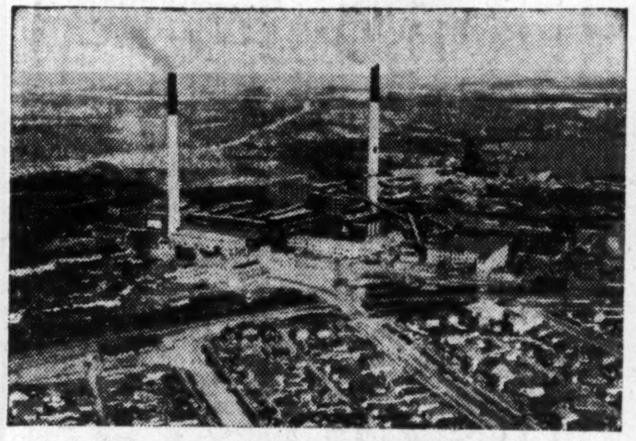
† Estimated. * Not available. D Deficit.

A *Decade* of Progress

Noranda Mines, Limited



1926—A Prospect



1936—One of Canada's Greatest Mines

Noranda has paid in Wages in that ten years an amount in excess of $20,848,000.00

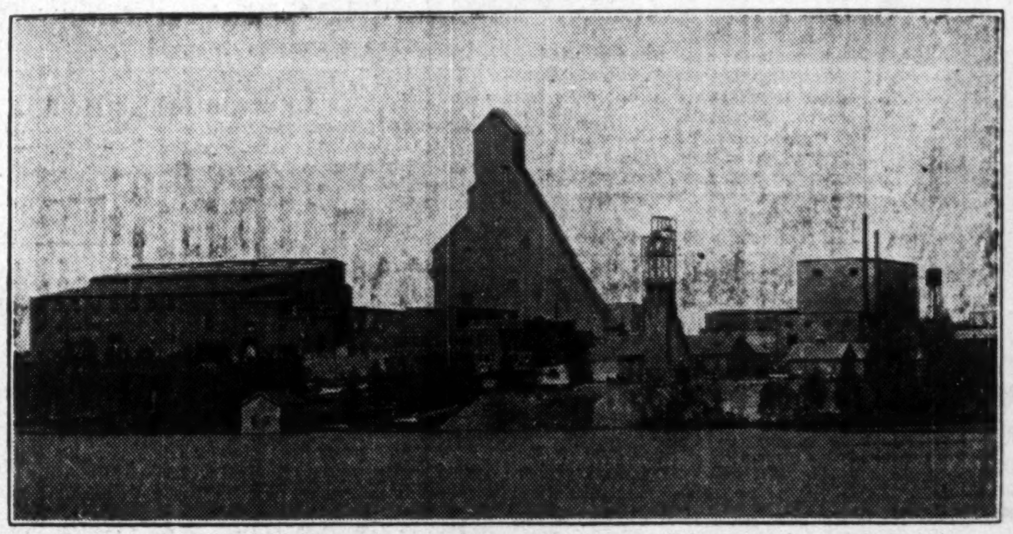
The freight and express charges paid in 1935 were $987,000.00
The total purchase of supplies during 1935 was over $3,176,000.00

A Few of the Items Purchased in 1935 were:

Coal and Coke	$398,000.00	Oils and Grease	$168,400.00
Explosives	$295,703.00	Pipes and Fittings	$ 42,600.00
Lumber and Wood Products	$ 68,000.00	Grinding Balls	$ 76,565.00
Fire Brick	$102,800.00	Steel	$ 71,105.00
Rock Drill and Parts	$ 61,884.00	Rubber Supplies	$ 33,900.00

Mine Office:
NORANDA, QUEBEC

Head Office:
TORONTO, ONTARIO



McIntyre Porcupine Mines, Limited

(No Personal Liability)
Incorporated under the laws of the Province of Ontario

CAPITAL STOCK
Authorized: 800,000 shares, par value $5.00 .... $4,000,000.00
Issued: 798,000 shares, par value $5.00 .... $3,990,000.00

DIRECTORS AND OFFICERS
J. P. BICKELL, *President and Managing Director*
BERNARD E. SMITH, *Vice-President and Director*
STRACHAN JOHNSTON, *Director*
D. H. McDOUGALL, *Director*
BALMER NEILLY, *Treasurer*
E. D. FOX, *Secretary*

Transfer Agents
The Toronto General Trusts Corporation — Toronto
The Equitable Trust Company of New York — New York

Auditors
Gunn, Roberts and Company, *Chartered Accountants*
TORONTO

Registrars
The Trusts and Guarantee Company Ltd.—Toronto
The Chase National Bank — New York

General Manager
R. J. ENNIS
Schumacher

PRODUCTION SINCE THE BEGINNING OF MILLING OPERATIONS IN 1912

Date	*Period*	*Tons Milled*	*Value per ton*	*Gross Value*	*Recovery per ton*	*Total Value*
1912	12 months	14,500	$ 7.00	$ 101,555.16	$ 5.25	$ 76,166.38
1913	12 months	31,979	7.85	251,314.45	7.05	225,752.25
Jan. 1, 1914, to Mar. 31, 1915	15 months	85,654	8.87	760,232.16	8.39	718,331.71
Apr. 1, 1915, to Mar. 31, 1916	12 months	105,758	7.71	815,345.49	7.38	779,990.94
Apr. 1, 1916, to June 30, 1917	15 months	195,307	10.00	1,954,793.28	9.55	1,864,914.28
July 1, 1917, to June 30, 1918	12 months	178,327	10.05	1,793,197.55	9.61	1,714,258.00
July 1, 1918, to June 30, 1919	12 months	179,874	9.78	1,759,627.40	9.29	1,671,646.03
July 1, 1919, to June 30, 1920	12 months	188,835	11.52	2,175,891.31	11.02	2,080,178.44
July 1, 1920, to June 30, 1921	12 months	171,916	11.67	2,005,672.00	11.08	1,904,326.36
July 1, 1921, to June 30, 1922	12 months	193,971	10.69	2,074,088.40	9.99	1,937,105.07
July 1, 1922, to June 30, 1923	12 months	240,615	9.96	2,397,303.00	9.35	2,249,741.63
July 1, 1923, to June 30, 1924	12 months	360,140	9.69	3,488,863.00	9.14	3,291,178.22
July 1, 1924, to June 30, 1925	12 months	400,259	9.43	3,774,068.00	8.86	3,546,637.52
July 1, 1925, to June 30, 1926	12 months	460,909	8.72	4,020,326.00	8.25	3,804,774.90
July 1, 1926, to Mar. 31, 1927	9 months	385,409	8.08	3,113,500.07	7.67	2,957,060.97
Apr. 1, 1927, to Mar. 31, 1928	12 months	520,460	8.09	4,207,553.00	7.66	3,987,634.94
Apr. 1, 1928, to Mar. 31, 1929	12 months	538,165	8.24	4,433,378.00	7.83	4,212,624.82
Apr. 1, 1929, to Mar. 31, 1930	12 months	550,495	8.46	4,657,188.00	8.05	4,433,626.45
Apr. 1, 1930, to Mar. 31, 1931	12 months	558,115	8.84	4,934,122.00	8.30	4,633,140.73
Apr. 1, 1931, to Mar. 31, 1932	12 months	655,030	8.47	5,548,278.10	8.10	5,305,475.29
Apr. 1, 1932, to Mar. 31, 1933	12 months	736,300	8.45	6,224,493.40	8.12	5,981,714.69
Apr. 1, 1933, to Mar. 31, 1934	12 months	776,845	10.68	8,296,704.60	10.24	7,957,252.54
Apr. 1, 1934, to Mar. 31, 1935	12 months	862,100	10.23	8,819,660.27	9.79	8,430,670.26
		8,390,963	$ 9.25	$77,607,154.64	$ 8.79	$73,764,202.42

EXECUTIVE OFFICES
15 KING STREET WEST TORONTO

LOCATION OF MINES, PLANT AND HEAD OFFICE
SCHUMACHER, ONTARIO

Metal's Triple Advance

Price, Production and Consumption Increases Leave Canada's Base Metals in Fortunate Position for Future

By NORMAN A. WHITE

The base metal industry in Canada and throughout the world advanced on almost every front in 1935.

Production increased, consumption was higher, prices advanced and the industry now occupies the most favorable statistical position since 1930.

Improvement in the position of the industry will be reflected in the 1935 earnings statements of Canada's three major base metal producers—Consolidated Mining and Smelting Co., Hudson Bay Mining and Smelting Co. and International Nickel Co. Noranda Mines, although primarily a gold producer, will also be affected. All four increased their production in 1935 and it is known that earnings have been substantially higher than in 1934 due to better prices for base metals.

Measured by almost any yardstick Canada's base metal industry made substantial progress in 1935, and barring unforeseen events this trend should continue throughout 1936. New production records were achieved in copper, zinc and nickel.

Importance of Base Metals

For years Canada has ranked among the leading producers of base metals in the world and during the past three years has strengthened her position. This fact is sometimes overlooked by the man-on-the-street who has been carried away by the glamor of the search for gold and the large profits made in investing in stocks of new gold producers. In copper output, Canadian mines rank third; in lead, fourth, and in zinc, second. It is commonly known that in nickel production, Canada enjoys almost a monopoly.

The recovery of the base metal industry in Canada from the effects of the depression has to a large extent been overshadowed by the strides made by the gold mining industry. In some respects, however, the accomplishment of the base metal producers is even more spectacular than that of the gold mines. From the point of view of new producers and development of new properties, the gold mining industry has far outstripped the base metals. It must be remembered, however, that the gold mines have enjoyed the most favorable price conditions while the base metals have progressed in the face of adversity. Prevailing prices during the past three years have been considerably below the 1929 level.

Business Recovery Helps

Economic recovery, of course, has played a large part in the recovery of the base metal industry, but tribute must be paid to the initiative shown by the industry in developing new uses for base metals. Indicative of the progress in this regard is the fact that consumption of lead, zinc and copper outside of United States in 1935 was higher than in 1929. With business throughout the world still far below the 1929 level, this augurs well for the base metal industry in the future when normal conditions return.

To Canada, this fact is very important. Canadian producers export a large proportion of their output of lead, zinc and copper. Excluded from the United States market by tariffs, most of the Canadian production goes abroad. Upon the European market Canada must depend to a large extent for the prosperity of her base metal industry.

Statistical Position

As indicated at the outset, the statistical position of lead, zinc and copper improved during 1935. The huge stocks of metal, which had been hanging over the market for several years, have been reduced nearly to normal, and the way is now open for a further advance in price as business gets better and demand improves. Potential demand is still good so that further increase in consumption is indicated. The largest advances will, of course, be made in United States where recovery in consumption has lagged behind the rest of the world.

Secondary Production

While prospects for the industry for the most part appear to be bright, there is one disturbing factor which must not be lost sight of, namely, secondary production from scrap. In the United States, this has been an important factor in recent years and in part accounts for the small demand for new copper and lead. It is probable that it will develop as an important source of metal in other countries as well and challenge part of the market for new metal.

A survey of the position of each of the base metals follows:

Copper

The market position of copper has improved during the past year, but many uncertainties lie ahead. While there may be a further moderate advance in price as a result of increased demand there does not appear to be any possibility of a sharp rise.

The most important factor in the improved statistical position of the industry during 1935 was the restriction agreement approved early in the year. Faced with a collapse of prices as a result of an excess of supplies over demand, producers decided to curtail production at the rate of 240,000 tons per annum from June 1, 1935. The agreement embraced 75 per cent of the total primary production, exclusive of the United States, Japan and Russia. Actually, curtailment of production was agreed to by only seven mines situated in Belgian Congo, Rhodesia and Chile.

In addition to curtailment of production, the agreement provided for general co-operation as to marketing and uniform trade practices; compiling of statistical information as an assistance to assure adequate supplies and to avoid accumulation of stocks; and for restrictions of American exports.

Canadian Output Not Curtailed

While agreeing to co-operate, Canadian producers did not sign the accord. Because of the dependence of copper output in Canada on the production of other minerals such as nickel and gold, it was felt that curtailment of production could not be agreed to without hindering the production of other metals.

Largely as a result of the curtailment agreement, world stocks of copper were reduced during the year by 113,000 long tons. While consumption had been increasing steadily since 1932 by 200,000 tons per annum, production also increased so that there was little improvement in the statistical position of the metal until 1935.

Consumption Higher

Consumption in 1935 was higher than ever before in all countries except United States, Germany and France. Some of the increased demand no doubt was due to armament requirements, but it can largely be attributed to industrial demand. In Great Britain, the building and electrical industries were mainly responsible for the higher consumption.

Prices Improve

As a result of reduction of stocks and improvement in demand, copper prices showed almost continuous improvement during the last half of 1935. The average price of electrolytic copper in the London market in 1935 was 7.8 cents a pound as compared with 7.4 cents in 1934. During 1936 to date, the price has been well above this average, varying from 8.6 cents to 8.8 cents. It is probable that the average price in 1936 will be higher than in 1935.

Future Prospects

There does not appear, however, any possibility of a sharp increase in price. In both the world and the United States position there is the ability to produce in excess of any demand reasonably to be expected. The large producers in Chile, Rhodesia and Belgian Congo are operating at about 40 per cent of capacity.

From the point of view of the Canadian industry even moderate advances in the price of copper mean large increases in the earnings of the copper producers. Copper in Canada is largely a by-product of mining operations for other metals. Most of Canada's copper is produced by four concerns—Noranda Mines, International Nickel Co., Hudson Bay Mining and Smelting Co. and Howe Sound Co. International Nickel Co., which produces over half of the Canadian output, is primarily interested in nickel, Noranda's principal product is gold and with Hudson Bay Mining and Smelting zinc holds first place.

Copper Production and Consumption
(In thousands of long tons)

Production:	1932	1933	1934	*1935
United States ...	228	210	207	320
Chile	102	166	253	267
Canada	112	135	165	190
Northern Rhodesia	75	104	143	145
Belgian Congo ..	54	68	110	108
Other countries .	309	339	357	407
Total	880	1,020	1,235	1,435
Consumption:				
United States ...	305	345	372	470
Germany	187	220	288	275
Great Britain ...	129	150	225	260
France	94	110	95	110
Italy	52	60	62	100
Japan	71	80	111	130
Other countries .	177	235	291	330
Total	1,015	1,200	1,444	1,675
World stocks	850	700	523	410

*Estimated.

Zinc

In the production of zinc, Canada occupies second position among the nations of the world. United States ranks first.

During the past two years there has been a marked increase in Canadian zinc production, previous highs being exceeded in both 1934 and 1935. From 1933 to 1935, production expanded from 99,566 tons to 158,125 tons, an increase of 59 per cent. Canadian output in 1935 was 5.9 per cent higher than in 1934.

While the price of zinc in 1935 showed only slight improvement as compared with the advance made by copper and lead, it is, perhaps, in the best statistical position of these three base metals. Stocks were reduced during 1935 by about 27 per cent and are now considered near normal. At the same time, shipments for consumption have increased about 35 per cent as against a slight increase in world production.

With business recovery continuing it is probable that the present good demand for zinc will show a further increase in 1936. The market for brass products for building, motor and electrical appliances will continue, it is expected. In 1935, there was a substantial increase in the use of zinc alloys in die castings and in the development of new uses for castings. There was also a pick-up in galvanizing operations, which is the metal's largest market.

It is not expected, however, that there will be a sharp rise in the demand for zinc. It is felt that the large expansion in demand, especially outside of United States where the Canadian production is marketed, is over.

Production Is Important Factor

The outlook for the present year is somewhat dependent upon production rather than consumption. The enhanced price of lead and zinc has resulted in increased production of zinc as a by-product. In the United States, any increase in output will likely be absorbed in the domestic market.. Additional production can be expected from Germany and Australia and probably from Canada. If consumption does not keep pace with this production it is possible that the price will fall unless the International Zinc Cartel is revived.

From the Canadian standpoint, an important development in 1935 was the alteration in the non-empire duty on zinc entering the United Kingdom. Change in the rate in August to a specific rate of 12s 6d per ton resulted in an improvement in the London price.

Zinc Production and Consumption
(In thousands of long tons)

Production:	1932	1933	1934	*1935
United States ...	191	290	328	380
Canada	77	85	134	143
Germany & Poland	133	130	163	180
Belgium	97	135	172	170
United Kingdom	27	41	51	70
Other countries .	256	314	328	355
Total	781	993	1,176	1298
Consumption:				
United States ...	200	315	315	420
United Kingdom.	115	125	170	210
Germany	125	150	170	200
Belgium	55	95	110	105
France	95	100	90	80
Other countries .	240	220	270	285
Total	830	1,005	1,125	1,300

*Estimated.

Lead

Reacting to the continued improvement in the statistical position of lead since the beginning of 1934, the price of the metal recorded a sharp rise in 1935. The average price of the metal in the London market for the year was 3.2 cents a pound as against 2.4 cents in the previous year.

During 1934 and the first three months of 1935, prices of lead remained steady. While the statistical position of the metal warranted an advance, no rise was forthcoming because the combination of the English ten per cent tariff and the "world price" clause of the Ottawa trade agreements were working with deflationary effect on prices in the London market.

Replacement of the ad valorem 10 per cent duty on non-empire lead by a specific duty of 7s 6d opened the way for a price rise. Other reasons for the price were the entrance of speculators into the market because of the importance of lead as a modern armaments metal and a strike in the Mexican mines.

Market Position Better

Statistically, the lead industry is in a definitely stronger position than a year ago. Stocks were reduced steadily during 1935, being estimated at the end of the year at two months' consumption.

There was a considerable increase in consumption of lead in 1935, owing to general revival of business activity and to increased demand for armament purposes. Leading interests feel that there will be a further rise in consumption in 1936, principally as a result of increased activity in the automobile industry and building construction. It is felt that as a result of greater activity in these lines, increased demand for lead will come from battery makers, sheet lead and lead pipe manufacturers and paint and pigment makers.

Production Expands

Production also expanded in 1935, being stimulated by the high price of silver with which lead is found in association. Consumption, however, was at the highest level in several years so that the net position of the industry was improved.

While prices were higher, Canadian production of lead actually dropped off in 1935 amounting to 337.4 million pounds as compared with 346.2 million pounds in 1934. Owing to the higher prices, however, value of Canada's production was 26 per cent higher at $9.8 millions.

Lead Production and Consumption
(In thousands of long tons)

Production:	1932	1933	1934	*1935
United States ...	250	260	295	370
Mexico	130	125	175	160
Australia	185	210	200	215
Canada	115	115	157	153
Germany	115	125	130	125
Other countries .	365	340	385	355
Total	1,160	1,175	1,312	1,378
Consumption:				
United States ...	250	285	300	385
Great Britain ...	225	270	330	340
Germany	110	145	155	170
France	120	140	115	90
Japan	60	70	100	90
Other countries .	315	275	320	370
Total	1,080	1,185	1,320	1,445

*Estimated.

Nickel

Production and consumption of nickel in 1935 was the highest in history and indications are that this industry can look forward to further expansion of its markets.

No industry has made more remarkable recovery from the depression than the nickel industry. From the low of 30.3 million pounds produced in 1932, Canada's output of nickel has expanded more than four-fold to 139.2 million pounds in 1935. Production in 1935 was eight per cent above the 1934 level.

While this remarkable expansion in consumption and production of nickel is in part due to general business recovery, the principal factor has been the initiative displayed by the nickel industry, and more particularly by the International Nickel Co., in developing new uses for the metal. The uses for nickel have increased by leaps and bounds in recent years.

Industrial Uses Increase

Part of the increase, especially in 1935, can also be attributed to a tendency among certain world powers to strengthen their reserves of nickel for armament purposes. The great bulk of the metal, however, moves directly into peace time uses.

Among the most important factors in the increased demand have been the automobile industry and the replacement of obsolete equipment. In this connection it is significant that nickel is now employed in one form or another by all major industries, and there are in world markets more than 1,000 trade-marked alloys containing nickel. It is in its use as an alloy that recent years has witnessed the most spectacular developments.

An appraisal of the future indicates that further expansion in the demand for nickel may be expected.

International Nickel Co.

To a large extent the nickel industry is centered in Canada and in one company, the **International Nickel Co.**, which is Canada's largest mining and metallurgical enterprise. Canada accounts for almost 90 per cent of the world nickel production and most of this is produced by the International Nickel Co. The only other Canadian producer is **Falconbridge Nickel Mines.** While a successful producer, its output is as yet comparatively small. Expansion plans are under way.

In keeping with its policy of forward planning and in the expectation of a further increase in the consumption of nickel, International Nickel is at present engaged in a programme of expansion aimed at increasing the reserve capacity of its plant. The expansion programme, it is estimated, will cost $6 millions.

This programme, it is expected, will more firmly entrench International Nickel Co. as the major source of nickel in the world. It is well known that large nickel deposits occur in other parts of the world and that Inco's maintenance of its position has been largely due to its low cost of production. By-products such as copper, gold, silver and platinum have played a large part in reducing costs to a minimum.

Record Profits Expected

Increased production has been reflected in the company's earning position. While the report for 1935 is not available as yet, earnings, it is estimated, will be the highest in the company's history. In 1934, net profit after all charges amounted to $18.4 millions, an increase of almost $9 millions over 1933. In 1935, profits will amount to about $25 millions, it is expected. The previous high earnings were achieved in 1929 when net profit amounted to $22.2 millions.

New Brunswick Coal

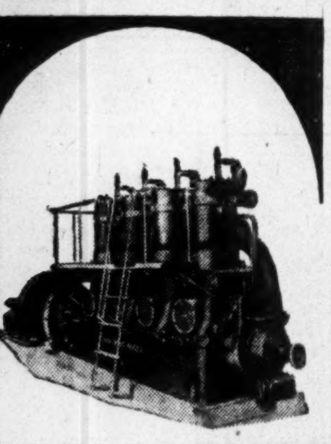
New Brunswick's output of bituminous coal in December showed an increase of 15 per cent over the 29,498 tons turned up in December, 1934.

New Manitoba Industry

A new industry developing the salt deposits at McMurray, 300 miles north of Edmonton, is under way through the efforts of Hon. C. C. Ross, Minister of Lands and Mines.

B. C. Lumber

Conservative estimates for the 1935 yield in British Columbia's forest products place this at $52,000,000. This compares with $45,461,000 in 1934.


Fairbanks-Morse Diesel Engines

For isolated power plants where electric power is not available, and for standby service, Fairbanks-Morse Diesel Engines have proven thoroughly dependable and remarkably low in power, operation and maintenance costs. In mine, mill, grain elevator, railway yard, town and city light, power and pumping plants, in marine service, they are producing cheap, dependable power, using low grade fuel oils. They are made in two types —F-M two-cycle, slow speed, heavy duty, in sizes from 10 to 10,000 H.P., and F-M four-cycle, medium speed, medium weight, in sizes from 8 to 160 H.P.

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JOWSEY ISLAND GOLD MINES LIMITED
(No Personal Liability)

JOWSEY ISLAND GOLD MINES LIMITED
GOD'S LAKE GOLD MINES

Adjoining God's Lake Gold Mines on the west, Jowsey Island Gold Mines through the development of its considerable portion of the "main break" of the area, is resolutely endeavoring to follow along the path blazed by God's Lake Gold Mines.

The substantial encouragement which rewarded surface exploration and diamond drilling is, so far as the work has gone, being repeated in underground development in progress.

Jowsey Island Gold Mines counts itself fortunate in having the same skilful technical direction as the parent organization, thus deriving the full benefits of their accumulated experience—an important advantage in the company's mine-making effort.

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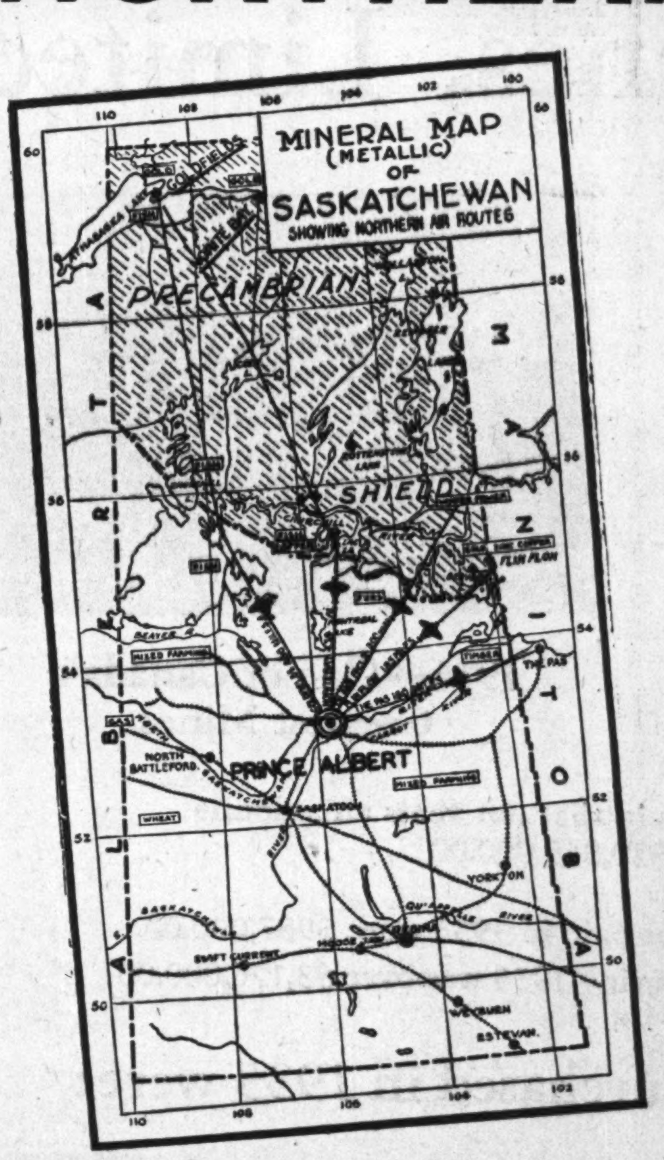
NORTHERN FLIGHT!



Northern Saskatchewan's 80,000 Square Miles in the Pre-Cambrian Shield is Directly and Efficiently Serviced from the

AIR BASE AT PRINCE ALBERT

The geological formation of northern Saskatchewan's Pre-Cambrian shield may be observed from a plane in flight, which is therefore an aid to prospectors.

NORTHERN SASKATCHEWAN'S MINING DEVELOPMENT

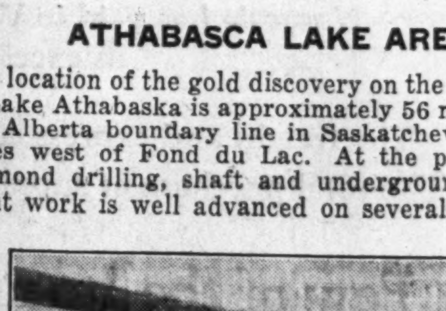
That Saskatchewan must henceforth be considered as a producing province is clearly indicated by figures showing the metallic mineral production for 1935, in which year the Province produced 15,909,310 pounds of copper, 19,770,912 pounds of zinc, 39,133 fine ounces of gold and 536,336 fine ounces of silver, which valued together amounted to $3,325,980.00.

ATHABASCA LAKE AREA

The location of the gold discovery on the north shore of Lake Athabaska is approximately 56 miles east of the Alberta boundary line in Saskatchewan and 50 miles west of Fond du Lac. At the present time diamond drilling, shaft and underground development work is well advanced on several properties.

FLIN FLON AND AMISK LAKE AREA

There is considerable mining activity going on in the Flin Flon and Amisk Lake mineral areas. One of these developments is at Douglas Lake, about six miles south-west of Flin Flon, and is under the direction of Flin Flon Gold Mining Syndicate. At Amisk Lake several groups of claims are being explored by diamond drilling, test-pitting and trenching. Recently a discovery of galena and sphalerite was made on Hanson Lake to the west of Amisk Lake. The extent of the new find has not been disclosed, but samples from the property show massive solid sulphides of lead and zinc.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Clays of Mattagami May be Foundation Of New Mine Wealth

Important Development in Northern Ontario May Reach Production in Summer of 1936

If development and processing proves as successful as preliminary investigations, Canadians have at their front door a primary ceramic industry which may become an industry of real importance among Canada's varied mineral products.

Important tonnages of different refractory clays and silica sand have been indicated in the Mattagami River area of Northern Ontario, and development of these materials is now being actively carried out by General Refractory Products, composed of Toronto interests.

The official claim that heavy demand for the products of the company exists, is substantiated in the figures covering the 1934 consumption of silica sand in Canada, during which period 161,409 tons were used, of which 98,488 tons were imported. The demand for silica sand extends westward to Calgary, and Red Cliff, Alberta, as well as to Winnipeg and to all points in Southern Ontario. The demand for fire clay, pit run, and ground and screened, provides a wide and diversified market, particularly in the entire province of Ontario, the Montreal district and as far west as Winnipeg.

Transport Problems

Thousands of dollars have already been spent by the Ontario Department of Mines, in making investigations and reports covering a wide field, including the districts along the Abitibi, Mattagami and Missianabie Rivers, and while reporting on many outcrops of refractory clays that were discovered at water's edge along these rivers, they have not been successful in finding a commercial deposit close to the railway.

Appreciating the economic value of these refractory clays, A. E. Hilder, managing director, spent considerable time and money checking up on the government reports, as well as making personal observations and investigations, and decided that the most promising area was in the Mattagami River district, adjacent to the foot of Long Rapids, about six miles north from Smoky Falls, with railway connections from Kapuskasing, over the privately owned railway operated by the Spruce Falls Power and Paper Co. Ltd.

After further investigations made on the west side of the Mattagami River, in the township of Kipling, six mining claims were staked, and recorded, immediately north of the pre-Cambrian escarpment, and since then an additional six claims have been staked and recorded, making the holdings now secured approximately 480 acres. Assessment work has been completed on the first six claims with four years assessment work already done on the remaining six claims.

Many and varied are the uses to which this company's production can be put. Fire clays, ball clays, kaolin and china clays are used in Canada in the following lines of production and manufacture, as raw and filler clays, white wear china, high grade tile, paper filler, paper coating, rubber, oilcloth and linoleum, paint filler, terra cotta, plaster and plaster products, cement, kalsomine, artificial abrasives, sagger clay, wad clay, firebrick, fire clay mortar, high temperature cements, glass house pots, zinc retorts, clay crucibles, foundries steel work.

Used by Paper Mills

The importation of kaolin and china clay, used largely in the manufacture of high grade paper, exceeds 20,000 tons annually, and these importations come from England and the United States, with the demand increasing. As an illustration showing the increasing demand and market for china clay and kaolin, during the year ended December, 1934, the production of china clay in the County of Cornwall, England, amounted to 642,224 tons.

General Refractory Products is headed by John C. Rogers and John A. Lindsay, formerly president and vice-president of Minefinders Ltd., which latter company provided finances for additional work following completion of the preliminary commercial tests. Messrs. Rogers and Lindsay resigned from Minefinders and purchased control of Refractory property, and also have associated with them, H. S. Southworth and A. M. McGill, while A. E. Hilder is the ceramic expert.

So successful was the preliminary commercial test that it was decided to drill a number of holes in the area adjacent to the river, with an idea of determining the depth of overburden, and to find out whether the deposit was uniform in depth and if there would be sufficient tonnage to warrant production on a paying basis. The method used was standpipe and wash rod. Eighteen holes were drilled over an area of eight acres, and a very definite area of six acres blocked out. In these six acres, the average depth of overburden is 33 ft., which represents the removal of 330,000 cubic yards, which engineers point out is not a serious matter.

Tonnage Estimates

A careful estimate of the tonnage of refractory materials available in this six acres is as follows: silica sand, 500,000 tons; kaolin, 90,000 tons, fire clay, 420,000 tons.

Active preparations for production this summer are being carried out and a Kapuskasing contractor is now engaged in the cutting and delivering of 22,000 ties and some 200,000 ft. of lumber. It is necessary for the company to build a seven-mile extension from Smoky Falls of the railroad operated by Spruce Falls Power and Paper Co., and the cutting of ties as well as lumber for the proposed plant will be expedited, and it is expected that a complete composite plant for washing, drying and screening silica sand and for processing the kaolin and fire clays, will be in operation by September first, and will be equipped to operate continually summer and winter. The plant will be designed along the lines of processes used in the Cornwall district of England.

Bunker Hill Extension Mines—informs the Toronto Stock Exchange that the option agreement dated Feb. 10 on 275,000 shares is on the following terms: 50,000 shares at 10c. per share immediately; 50,000 shares at 10c. one week after the execution of the agreement; 100,000 shares at 11c. within one month, and 75,000 shares at 12c. within a further month.

Dome Mines—estimated January production is valued at $567,255, a decrease under the $610,870 mark set in December. In January the mill treated 46,700 tons of ore with average recovery of $12.14 per ton against an average recovery of $13.55 per ton in December.

BULLISH MARKETS REFLECT GROWTH AT PREMIER GOLD

News from Australia Helps Affairs of "Wonder Mine"

From Our Own Correspondent

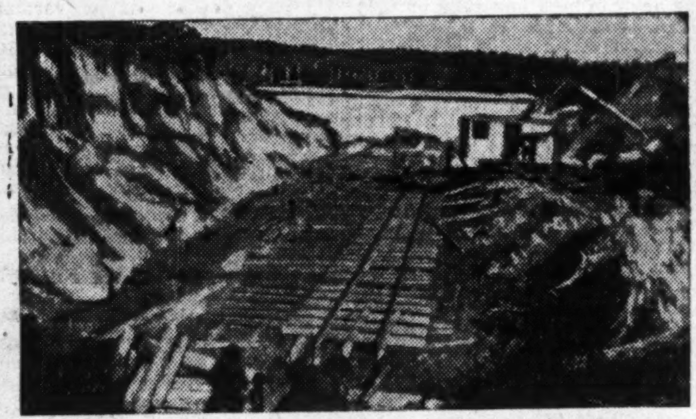
VANCOUVER. — Promising reports from its Big Bell properties in Western Australia, news of continued expansion in its home district, Portland Canal, and the aggressive policy it has pursued in acquiring new ground, have all contributed to recent revival of interest in Premier Gold Mining Co. Reflecting this new interest, Premier shares have advanced considerably on the New York and other markets.

Although Premier became famous the world over for its spectacular operations in the Portland Canal district, the company's ramifications are now international in scope, and American Smelting & Refining Co., which is in control, evidently plans to perpetuate Premier's resources. A few years ago the company's own reports intimated that exhaustion of ore and earnings was in sight, after some $19 millions had been paid in dividends on a mine capitalized at 5 million shares of $1 par value—an almost unique happening in the mining world.

Instead of letting the company die a natural death, the management of Premier put through a merger with the adjoining B. C. Silver and Sebakwe properties at Portland Canal, took over control of two promising Canadian mines, Relief Arlington and Toburn, and acquired a half interest in the Big Bell mine in Western Australia. This latter property gives promise of being a very important producer. To acquire it Premier and American Smelting sold at a profit a West African gold mine they had jointly bought a few years previous.

Dale L. Pitt, who was general manager for Premier at Portland Canal, has been transferred to Western Australia where he will have full charge of development of the Big Bell property. Reports received here recently indicate the company is preparing to go ahead with construction of a mill. About $10 millions will be spent on development by Premier, American Smelting, Terra Nova Properties, Ltd., and Mining Trust, Ltd., the four parties interested, and the state government of Western Australia will proceed with construction of a railroad from Cue, on the Murchison goldfield, to the Big Bell, which has been described as the biggest low-grade proposition in the world.

New Ontario Industry



Above is a view of the open cut on the property of General Refractory Products, on the Mattagami River, Northern Ontario, being energetically developed for its clays and silica sands. A seven-mile railway is connecting the property with Smoky Falls. Details of this new Ontario industry are described in the accompanying article.

At the Mines

Murphy Mines—reports that under an agreement dated February 6, 1936, the company has sold 200,000 shares at 2¼ cents a share, and has granted options on four blocks of 100,000 shares at 3½ cents to February 24; 4½c. to March 10; 6c. to March 25; and 6½c. to April 9.

• • •

Hard Rock Gold Mines—under an agreement dated Feb. 18, the company has sold 200,000 shares at 45 cents a share, and has granted options on blocks of 50,000 at 65 cents a share to the 1st of August, September, October and November, together with a further block of 50,000 shares at 75 cents to December 1, and a further 49,995 shares at 75 cents to January 1, 1937.

• • •

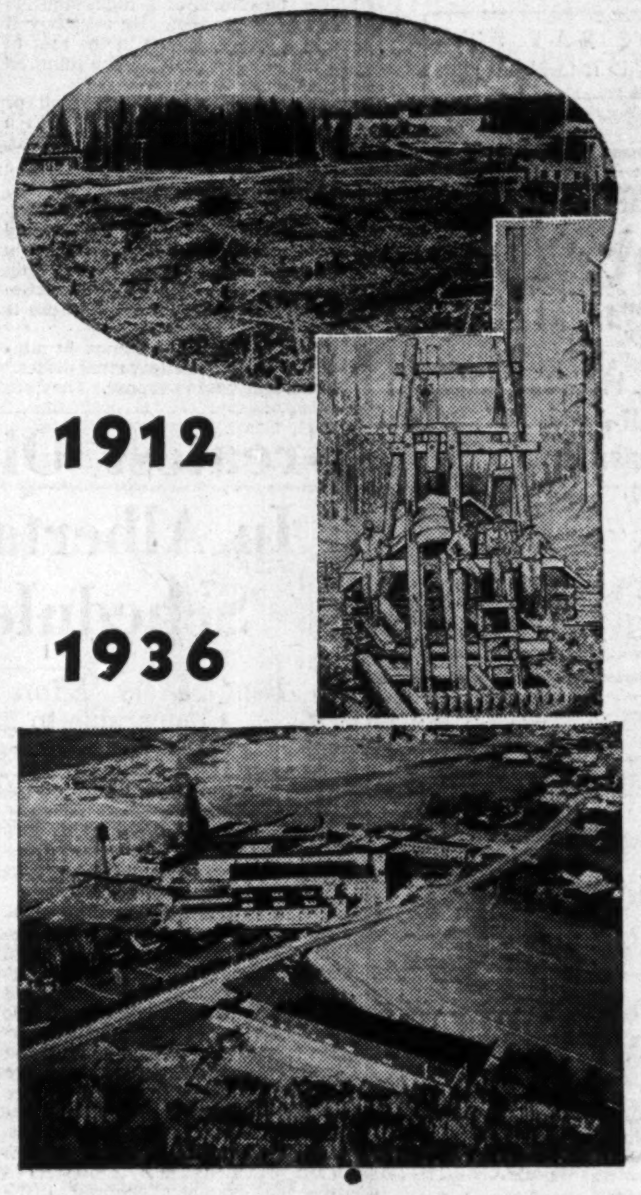
Sally Mines Ltd.—at the annual meeting of this company held in Vancouver recently, shareholders approved an increase in the capitalization to 1 million shares $1 par. It is planned to make an offering of shares shortly, first to present shareholders. Proceeds of the new issue will allow the company to develop two sections.

• • •

Sudbury Contact—reports an option agreement dated February 20 on 400,000 shares in blocks of 100,000 shares at 15 cents to April 30; 20 cents to May 31; 25 cents to June 30 and 30 cents to July 31.

Imports of Tin

Imports of tin in blocks during December amounted to 3,792 cwt., compared with 1,262 in the corresponding month of 1934.



EXPLOSIVES

Little Dreamed of Thirty Years Ago

LAKE SHORE MINE

LITTLE did the prospectors of thirty years ago in the Kirkland Lake area realize the great possibilities in this section of Ontario. If they had, most of the original claims would not have reverted to the Crown.

In 1912 gold-bearing veins were uncovered on the grounds taken up by Mr. Harry Oakes and the Tough Brothers. This led to further important discoveries. In 1914 Lake Shore Mines Limited, situated at the south end of Kirkland Lake, commenced production, having an initial capacity of 60 tons per day. With the gradual expansion programme carried on over a period of years, Lake Shore's production stands now at approximately 2,300 tons per day. Since operations were first started some 4,000,000 ounces of gold have been produced from 5,990,229 tons of ore milled. An unusual feature of the Kirkland Lake deposits is the high average value of the ores together with the comparatively large tonnages available.

It is indeed gratifying to us that the operators of this great mine have been continuously using C-I-L Explosives.

Magazines are maintained across the Dominion to render the fastest possible service in the delivery of C-I-L Explosives, and our Technical Department is ready to assist you on any problem relating to blasting operations.

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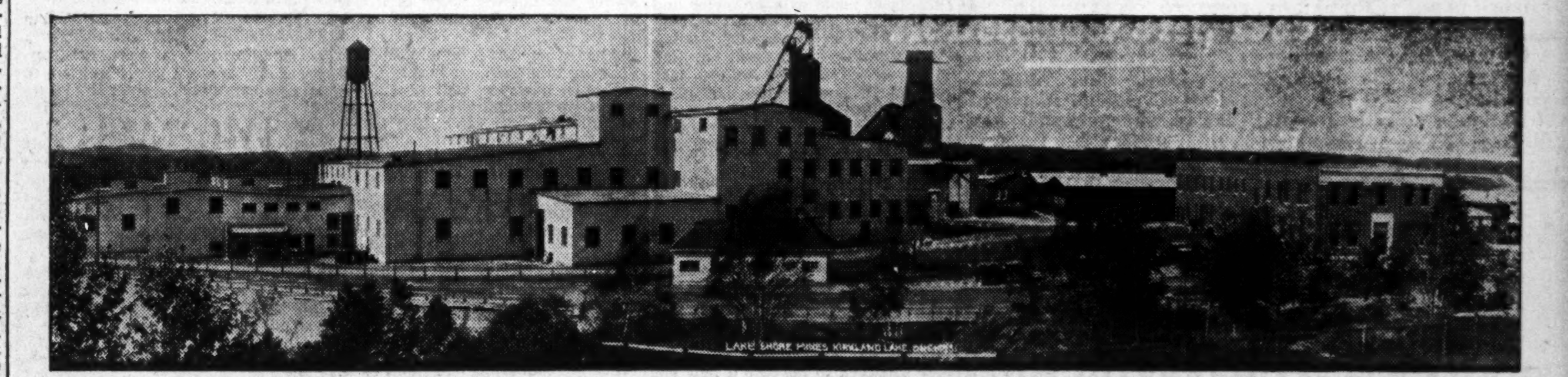

EIGHTEEN years ago, Lake Shore Mines started operations with a mill handling 60 tons of ore per day. Today Lake Shore Mines handles over 2,300 tons per day.

In the course of this growth to the largest gold producing operation in Canada, Lake Shore Mines has spent many millions of dollars for wages, salaries and supplies of all kinds.

The purchasing power which Lake Shore has released throughout Canada in the course of its rapid growth has taken a variety of forms. In addition to the purchasing power represented by dividends, of which Lake Shore Mines has distributed some $40 millions, there is the equally important purchasing power represented by wages and supplies.

The record of one year is indicative of what tremendous assistance Lake Shore has been to Canada.

In 1935 Lake Shore Mines paid to its employees $2,463,154 in wages and to the manufacturers and railroads went another $2,517,315 for supplies and equipment.

The stimulating effect of these distributions was enhanced by the fact that they were spread over a wide variety of industries supplying the needs of Canadian gold mines.

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Quebec's New Gold Producer

SHAWKEY
GOLD MINING COMPANY LIMITED

PROPERTY — Approximately 600 acres, Lake de Montigny, Quebec, south of Siscoe. Developed by two-compartment shaft to 575 feet with a substantial footage of lateral work. The property is equipped with a complete mining plant and new buildings to accommodate 110 men. A 100-125 ton mill, erected by the General Engineering Company of Canada, has just been brought into production and the first gold brick will soon be poured. Shawkey has 81,000 tons of proven ore with a large tonnage of indicated ore.

McDONOUGH MINING ENTERPRISES

Madsen Red Lake
Gold Mines Limited

Capital: $3,000,000
Issued: $1,500,000
$1,000,000 pooled

PROPERTY — 1,670 acres, Faulkenham Lake area. 6 miles S.W. of Howey. Surface values estimated by Mgr. E. H. Honsberger, M.E., at $18.20, over 3-ft. width. Sampled in three sections, 179-ft., 567-ft. and 200-ft. Shaft sunk to 325-ft. with crosscutting at 212 and 325-ft. Lower crosscut cut wide mineralized porphyry zone, of which 6-ft. is vein matter. Values will be announced when sufficient drifting has been completed to give a true line on the gold content.

Jomac
Gold Syndicate
Limited

Capital: 10,000 Units.
Issued: 7,435

HOLDINGS—
1,100,000 Shares—Macjoe-Sturgeon Gold Mines
700,000 Shares—Madsen Red Lake Gold Mines
14 Claims Dik-Dik Area.

Head Offices: 67 Yonge St., Toronto, Canada

Those Sirens, Samples

Sometimes They are Helpful—But They May Lead You Along Strange Paths

Beware the ore samples.

You may see a beautiful piece of quartz, or a dirty looking piece of rock, enlivened with little globules of a dull yellow color.

If the yellow metal embedded all over the rock has a shiny glitter, and scratches show an even brighter glitter, of course you know it is pyrites, "fool's gold," or in other words that it isn't gold at all. But supposing the yellow has a rich dull glow, and scratches cut it like lead? It is gold.

Still, beware the ore samples.

Highgrading is an offense, punishable by law, but the stories told of highgrading, or theft of rich gold ore from the mines, are legion. Some of them are amusing, others deal with the police courts of Timmins, North Bay, and other mining towns.

When that happens it usually follows the efforts of a highgrader to dispose of the loot. He may buy it from a miner, hide it in the roof of an automobile, and travel a hundred miles or so to find a buyer.

The buyer in turn, may resell, or more likely crush the rock with a hammer, extract the gold, melt it, and dispose of it as old gold.

"Gold Plate"

Another scheme occasionally practised is the use of such melted gold to coat a "gold brick," in reality a piece of lead plated with thin gold and sold to a gullible victim whose knowledge of gold bricks is necessarily sketchy.

Rich ore samples, known in mining circles as "jewellery store pieces," have a legitimate purpose. They are taken by mining engineers, executives, or other responsible persons for use as show pieces, or by a prospector to impress a potential financial backer.

They are not, however, melted down and sold—unless they happen to fall into the hands of someone who wants a quick profit. Such pieces normally find their way into company exhibits, museums, geological exhibits, or in the case of some spectacular pieces of gold and silver ore, to the Ontario Parliament Buildings where they repose in large glass cases for the edification of southern Ontarians.

One of the purposes, decidedly not legitimate, to which rich gold ore samples have been put, is "salting," or placing samples of this kind on ground where, in reality, no rich ore exists. They are then "discovered," preferably on the visit of some potential financier, whose funds are later sought for "development."

Used as Paperweight

An instance which has its lighter side occurred in Toronto. A piece of gold ore, literally stuffed with pieces of visible gold, lay on the desk of a small office in a downtown Toronto building. It had been used as a paperweight and no one thought it worth ten cents. True, its appearance was unusual, but the office staff thought—if they did at all—that it would not have lain there so long if it had a value. The "paperweight" weighed about a pound.

Eventually the firm failed, closed up shop, and the office was cleaned out. Among the rubbish, the paperweight was picked out by an ex-member of the staff who in a whimsical moment decided it would make a suitable souvenir of the defunct firm.

The new owner, jobless, and without funds, sought out a mining promoter in connection with the possibility of new employment.

There was no job, but the promoter spied the applicant toying with a piece of rock and asked to see it on being told it was ore.

Out came a prospector's pocket glass; the ore was moistened, and a glint entered the promoter's eyes.

"How much?" he asked.

Somewhat startled, the job seeker sought further details. The promoter smiled knowingly.

"It looks like Kirkland Lake, or—it might be some of Pioneer's ore," he remarked casually. And then he offered $10.

"Of course, remember, I only want it for my collection, you know," and the deal was closed.

The ore may have gone into a private collection, or it may have been "found" on the property under current promotion by the enterprising purchaser. In any event, it contained about $30 worth of gold at least, and it may eventually have been worth far more to the promoter.

Down the Waste Chute

Another story is told of the extremely rich ore found in the lower levels of a well-known property in British Columbia.

No one can vouch for the details, but the story goes that a party of eastern businessmen were being shown through the property by a company executive noted for his hot temper.

Stopping the party in one section of the mine, the executive pointed to a particularly high grade section from which ore was being taken.

"The stuff is running thousands of dollars to the ton," he announced proudly to the visitors, and then noted a workman pushing a mine cart along the rails leading to the waste ore shoot where barren rock is dumped.

"Where are you going with that?" he asked the laborer.

By signs and in broken English the man described the waste dump, and one glance confirmed the mine executive's worst fears.

The story is that it took an hour to clear the atmosphere at that particular level of the mine after the official comments were concluded. The workman, cheerfully unconcerned about the value of his cargo, had dumped thousands of dollars worth of ore down the waste chute because the trip along the underground rails to the chute was shorter than his route to the shaft station.

There is such ore, and plenty of it, but it is guarded, as a rule, as carefully as golden coin in the Bank of England.

"Jewellery pieces," whether for exhibit, or for private souvenirs, are likewise carefully guarded, and usually have a pedigree of their origin that is beyond question.

So, if you are shown a piece of ore the size of an apple, and it "runs $5,000 to the ton," be sure to find out where it came from. It may, of course, have come from "Sucker Consolidated's" latest surface showing but the odds are against it.

Greatest Oil Search In Alberta's History Scheduled for 1936

To Bend Every Effort Toward Locating Field Comparable to 22-year-old Turner Valley Area

From Our Own Correspondent

CALGARY.—If a crude oil field, a naphtha field comparable with Turner Valley, or even a large new dry gas field exists in Alberta, it may be discovered this year.

Never in the history of the province have so ambitious plans been made for exploration of potential oil and gas areas. Oil operators recognize the fact that the 22-year-old Turner Valley field will not produce naphtha at the rate of a million barrels a year very much longer and there is a disinclination to sink more wells in the field from which more than 9.5 million barrels of oil have been extracted. Their eyes are turned to the great number of structures in the province said by geologists to offer an excellent chance to the wildcatting operator.

Capital Supplied

Backed by large capital, an important test is to be spudded shortly by the Arca Development Co. west of High River. Actually, this is a joint venture of the Calgary and Edmonton Corp., Imperial Oil, and interests associated with the Canadian Western, Natural Gas, Light, Heat and Power Co. No stock is being offered to the public, and the first test well, it is stated, will be drilled 7,000 or more feet. The company has filed on more than 20,000 acres of potential oil lands in the area.

J. C. Dallas, prominent in the 1929-30 oil boom as a promoter and as a managing director of Calmont Oils, is back in Calgary and a company promoted by him plans to spud in a well near the old Wabash test, west of Calgary. In the meantime he is suing Calmont Oils for approximately $30,000 allegedly owing him on his salary while he was employed by that company.

The Northwest Co., subsidiary of Imperial Oil, has announced intention of spudding in two or three wells on the Jumping Pound structure near Calgary soon, and giving that structure a thorough test of its oil potentialities.

The Altoba Gas Co., affiliated with the Canadian Western, Natural Gas, Light, Heat and Power Co., has filed on extensive acreage in the province and will seek to develop a new gas field.

Acreage Within the City

Acreage even within the city limits of Calgary has been filed on under the permit system during the past few weeks. The Northwest Company has acreage under its control in the Sunnyside and New Edinburgh districts of the city and there is a possibility that wildcat wells will be drilled within the city boundaries some time in the future.

In the meantime several promising structures are actually under test. The Hunter Valley Co. is drilling on a structure west of Olds. The Ranchmen's company is still plugging away in hard formation on the Aldersyde structure southeast of the city. Several companies are interested in the Watson structure south of Calgary and drilling is under way. The Weymarn well on the Pincher Creek structure has some excellent gas and oil showings, as has the Terminal well on the Del Bonita structure. Drilling is proceeding at the New Valley well and with moderating weather work should soon start up again at the Oil City well near Waterton Lakes. Suspended for years, the Elbow well, west of Calgary, is to be drilled to completion by Elbow Oils. Any one of these wildcat wells may prove a new naphtha or crude oil structure this year.

Crude Oil Declines

Since its discovery in 1914, Turner Valley has been productive of crude oil, but since 1926 it has been a prolific producer of naphtha to such an extent that the crude oil production declined in importance. The famous valley is now showing signs of exhaustion.

Pressure declines show Turner Valley has not the "pep" of a few years past and while it may produce gas for 20 years from now, its lifetime as a naphtha producing field is drawing to a close. It is considered probable, however, that production will drop gradually and with the operation of four absorption plants (two Royalite plants and the Oil and Gas Products plant now in operation and the British-American plant to be operated this summer) substantial yields may be obtained for several years. It was the operation of absorption plants, in fact, which kept production up to a high level in 1935 rather than the bringing in of new wells, although a few new producers helped.

In 1935, Turner Valley produced 1,227,013 barrels of naphtha and light crude oil, containing 35 gallons each. This was only slightly less than the 1934 valley production of 1,332,430 barrels. The absorption plants in 1935 permitted a very efficient extraction of oil from valley gas.

Since 1922 when the first naphtha was recovered the field has produced 9,264,879 barrels of naphtha and light crude oil. Since 1914, when the Dingman discovery well struck crude oil, the field has produced 9,320,478 barrels of naphtha and light crude oil. These figures, based on provincial government records, are up to December 31, 1935.

$28 Millions Production

The total Alberta production from 1914 to the end of 1935 was 9,654,952 barrels of naphtha, light and heavy crude oil, worth approximately $28 millions. Turner Valley contributed by far the greatest part, the remainder comprising 334,474 barrels coming from the Red Coulee, Wainwright, Skiff and Keho fields.

Alberta oil operators are facing 1936 hopefully. They are assured a better return for their products, Imperial oil having raised the price to oil companies for naphtha and crude oil a few weeks ago. Secondly, Hon. C. C. Ross, the new minister of lands and mines, has put into effect a number of regulations which proved gratifying to oil men and indicated that the government planned to assist in the oil development of the province to a greater degree than the preceding government.

Following is the production record of Turner Valley and all Alberta fields from 1914 to the end of 1935 in barrels.

Yearly Production

	Turner Valley (bbls.)	All Alberta (bbls.)
1935	1,227,013	1,263,750
1934	1,232,430	1,265,940
1933	976,707	1,013,040
1932	875,810	917,622
1931	1,372,625	1,455,195
1930	1,364,584	1,433,844
1929	962,110	999,152
1928	481,357	489,531
1927	329,078	332,133
1926	213,617	219,598
1925	168,643	168,643
1924	14,049	14,049
1923	10,003	10,003
1922	15,853	15,853
1921-1914	56,599	56,599

At the Mines

Algoma Mining and Finance Corp.—reports an agreement has been entered into as follows:—purchase of 100,000 shares at 5c. per share and 100,000 shares at 5½c. per share and an option to purchase 400,000 shares on the following terms: 100,000 at 7½c. to March 4, 1936; 100,000 at 8½c. to March 19; 100,000 at 9½c. to April 19, and 100,000 at 10½c. to May 4, 1936.

• • •

Astoria Rouyn—reports an option agreement dated February 15 covering one million shares in blocks of 100,000 shares to the 25th day of March, April, May, June, July, August, September, October, November and December at prices ranging from 5 to 14 cents per share consecutively.

• • •

Olga Gas and Oil Co.—shareholders at a special general meeting approved the proposal submitted by directors for the reorganization of the company's capital structure. Under the new plan, the present capital of two million shares no par value will be decreased to 800,000 shares, and subsequently increased to two million shares. Shareholders will receive two new shares for each five old held, and the company will have 1,200,000 shares in the treasury for further financing.

WE EXTEND CORDIAL GREETINGS to the members of the Canadian Institute of Mining and Metallurgy on the occasion of the 37th Annual General Meeting being held at Ottawa, March 17, 18 and 19.

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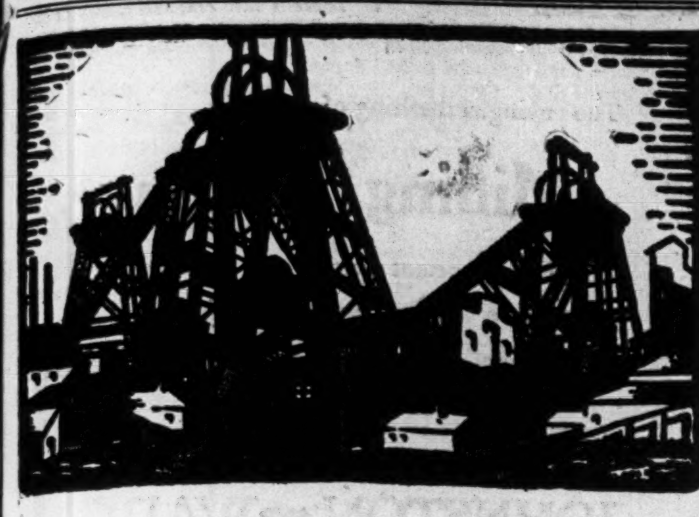

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The company owns 750 acres in the Big Rice Lake Section in the Province of Manitoba, known as the Madeleine group, in the Central Manitoba Gold Area.

DEVELOPMENTS
Ore bodies opened up to 750 feet in depth, No. 1 and 2 veins. Mill expected to operate April 1st.

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This is an Exploration Company, the Manager of which has had wide experience with mines and mining properties in the Pre-Cambrian rocks of Canada, and now that he has retired from the management of Kirkland Lake Gold Mine, he will be able to give more time to choosing good openings for investment by this Company.

At present, along with Coniagas Mines, Ltd., and Kenty Gold Mines, Ltd., it is financing Argosy Gold Mines, and the favourable results obtained in that mine have already quadrupled the value of its holdings in it; with a good prospect of still further increase in value. The Kenty Company's holdings in Argosy have at the same time become very valuable, and in consequence the stock of the Kenty Gold Mines has increased in value, until now the Northern Canada's holdings of its stock, instead of being a loss, are worth much more than they cost.

The Company is also exploring the Ballantyne property, adjoining the Little Long Lac Mine, and is anxious to obtain interests in other promising mining properties.

Office: Metropolitan Building, Toronto

Hollinger Ore Jumps Again Report Shows

Earnings Per Share of $1.02 Shown in 1935

WORKING CAPITAL UP

Substantially increased ore reserves, a higher working capital position, but a decrease in the net earnings is shown in the annual report of Hollinger Consolidated Gold Mines, for the fiscal year ended Dec. 31, 1935.

Earnings per share amounted to $10.3 as compared with $1.32 in 1934. The reduction was due largely to higher operating costs, accentuated by a lower tonnage treated.

Ore reserves increased during the the year from 7,061,926 tons, having a total value of $51,440,260, to 7,355,318 tons, of a total value of $51,918,222.

Working capital, at Dec. 31, 1935, stood at $1,743,796, against $1,496,111 in 1934.

Huge Pay Roll

Value of gold produced during the year at Hollinger totalled $14,126,842 after deducting Dominion bullion tax. Interest on investments, and sale of securities added another $220,373 to this figure, making a gross income of $14,347,215

At the close of the year, the net asset value of the Hollinger subsidiary, International Bond & Share Corp. was $5,136,493, an increase of over $1.5 millions over the asset value last year.

At the mine, mining of the upper levels was continued, thus adding to the life of the property. The 25 shaft, which is a sub-shaft sunk from the 3,950-ft. level, has been sunk to a depth of 5,000 ft., and will be continued for another 150 ft. before development starts. No. 21 shaft, west of the central shaft, has been sunk to the 3,800-ft. level, and will be continued to connect with the drift west from the Schumacher shaft.

Opening up Ore Body

At the Young Davidson Mines, Hollinger subsidiary, drifting has been extended from the 262-ft. station, and cross cuts are now being driven to open up the ore body for production.

During the year, 229,793 tons were treated from Young Davidson, with operating profits amounting to $234,000.

A small mill has been erected at the Hislop development for test purposes and the shaft has been carried down to a depth of 450 ft., with development work on three levels. The results, states John Knox, are as yet inconclusive. At Horwood Lake, the shaft is down 200 ft. No drifting has been done as yet.

Current assets, including Dominion, provincial and municipal bonds, and material and supplies, are shown at $3,045,393, as against current liabilities of $1,301,597 including reserve for taxes of $821,886.

Income and Surplus Account
Years Ended Dec. 31

	1935 $	1934 $
Gold & silver prod.	‡14,598,318	15,080,450
Less: Dom. bull. tax	577,783	1,091,626
	14,020,535	13,988,824
Less oper. exp.:		
Mining	5,979,810	5,650,092
Milling	1,189,389	1,131,857
General	679,679	648,071
Work. Compens.	141,923	
Taxes	*856,089	653,627
Silicosis assess.	130,779	35,257
Net oper. earn.	5,042,866	5,869,920
Add non-oper. income:		
Int. on invests. & other income	220,373	188,439
Profit on sale of secs.	34,844	512,918
Total net earn.	5,298,083	6,571,277
Less reserves:		
Plant deprec.	23,710	15,017
Invests. in prop. & cos. writ. down	4,917	2,663
Exps. on prop. aband.	219,954	48,234
Net profit	5,049,502	6,505,363
Less approp.:		
Dividends	4,428,000	6,888,000
Surplus for year	621,502	†382,637
Add: Prev. surplus	5,303,013	5,439,326
Trans. fr. cont. res.	....	246,324
Balance forward	5,924,515	5,303,013

*Including $1,264 Dominion of Canada income tax re 1933. †Deficit.

‡After deduction of $106,307 marketing charges.

Earns. per Share and Divd. Record:

	1935	1934
Earned	$1.03	$1.32
Paid	0.65+0.25	0.65+0.75
Shares Outstanding	4,920,000	4,920,000

EAST MALARTIC MAKING PROGRESS

Expect to Start Sinking Both Shafts in Month's Time

From Our Own Correspondent

MONTREAL.—Development work at the East Malartic Mine is well up to schedule, according to a report issued by J. P. Norrie, covering the first two weeks of February.

During this period roads were cut from No. 1 shaft site to the main highway and the water supply at the Malartic River. The foundation for a sawmill has been laid, while erection of the mill is now progressing.

Excavation work on No. 2 shaft on the No. 1 discovery has been started at a point where an ore body 850 feet long, average width 15 feet, and $7 average has been indicated by eight diamond drill holes, in six of which coarse gold was found in the core. This ore body also has been productive of coarse gold from the surface outcrop.

It is expected, according to the report, that sinking in both shafts will be under way within one month.

General Motors Pays Out $11 Millions in Savings

General Motors has distributed more than $11 millions to about 25,000 employees in the United States and Canada under the company's employees savings and investment plan. Some 1,200 Canadian employees benefitted by more than $500,000.

Of the $11 millions, $4.8 millions represents savings by the employees in 1930, and the balance is interest and stock in the company, representing the company's contribution.

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U. S. Dollar May Stay at 59c. Gold Standard Still Alive

See Further Devaluation Unlikely, But Return to Gold Standard by Leading Nations of the World Deemed Almost Inevitable

Gold still remains the supreme expression of value in a changing world.

Great Britain, the United States and most nations of the world have gone off gold. But they all want gold nevertheless. Managed currencies have everywhere become the modern unsatisfactory substitute for those which once were related to gold. Even France has stuck with difficulty to its guns in the last three years.

Observers have expected her from month to month to give up the unequal battle ever since 1933 but she has managed to preserve to this moment the franc's relationship to gold. Politicians fear to enrage the volatile French populace by any policy which would too much remind them of the post-war days when the franc sank to one quarter of its former value.

France May Go Off Gold

But supposing the gold franc does change to a managed franc. It will be a temporary change. France has corraled the second largest supply of the world's monetary gold. Its statesmen and the officers of the Bank of France worry every time there is a movement of this gold out of France. The present governor, Jean Samson Tannery, even talks of minting gold so that the people of France will once more become familiar with the feel of gold and regain confidence in the monetary structure. He thinks this may halt hoarding which is one of the chief signs nowadays of lack of confidence in currencies and of confidence in gold. He had seen the gold reserves of France sink in 1935 from 82 to 66 billions of francs. He had tried to stop the movement by three boosts in the discount rate of the Bank of France.

Great Britain is not too sure of the franc. When the British Equalization Fund recently was used to support the United States dollar, it bought francs with sterling. Those francs were hastily converted into gold for fear the franc should be devaluated. In one week early in February one billion francs in gold left France as a result mainly of such buying.

Others wanted gold to send to the United States to take advantage of the rise in Wall Street securities. The fear of a European war had something as well to do with the haste with which rich men bought gold and sent it to the United States. Some think that this continual movement of gold to the United States may drive France off gold just as the United States purchases of silver at rising prices caused China, the last silver standard nation, to abandon the silver standard for a managed currency.

But supposing France does go off gold. If it is the preliminary to an understanding among the wealthiest nations of the world for some form of resumption of the gold standard on a basis fair to all, the place of gold will be maintained. If there should come a competition in progressive devaluation, then gold will become more valuable again to all nations and individuals looking for something secure among the fluctuations of prices of securities and commodities and of exchange.

No More Devaluation?

In Canada the main question in the minds of officers and employees and shareholders of gold mining companies is whether or not events may precipitate a further devaluation of the United States dollar to 50 cents of gold of the old parity.

Back in December Dr. Edwin W. Kemmerer, famous Princeton economist, expressed the opinion that the United States will not further debase its 59 cent gold dollar. He believes that the United States within "a reasonable period" will balance its budget and thereby avoid any runaway inflation. With the return to more stable conditions Dr. Kemmerer believes that gold will come out of hiding and hoarding. He fully expects that the gold standard will be retained by the United States and those countries now on it and that the leading nations of the world will come back on it.

Dr. Kemmerer, however, expects that wholesale and general prices in the United States will be double what they are at present by the end of the depression.

Canadians must be interested in such an opinion. It would mean some easing in the demand for gold and Canada would probably follow the United States in the rising cost of living. There has been a rise of 35 per cent in wholesale prices and 15 per cent in the cost of living in the United States since the United States went off the old gold coin standard in February, 1933. But the rise has to be 69 per cent over the old prices to make up fully for the devaluation. Consumers strikes are already in evidence over the rise in some food values.

The World's Gold

Of the world's $42 billions of gold —valued at $35 an ounce—half is used for monetary purposes and that use is the main market of the new gold now being mined. Gold held in central banks will support three times its value in money in circulations and will support nine times its total in deposits at the commercial banks. Therefore $21.5 billions of gold is sufficient to give the world a credit structure beyond anything yet experienced. But it is not economically distributed for that purpose. The United States has half of the world's gold supply for monetary purposes. Of course, all the $10.5 billions of gold in the United States now does not belong to United States citizens and its government. All over the world people shift their gold in days of depression to whatever nation appears for the time being to be the safest depositary. The central reserve at Washington cannot use $2.7 billions of the excess gold as a credit base because it has to be prepared for an outward movement whenever European conditions strike the owners as safe again.

Gold Triumphs

The strength of gold over the imaginations of men is extraordinary. With silver dropping continuously until even Uncle Sam's millions could not restore its old value gold has progressed steadily. There are advocates of currencies divorced from gold but every nation and individual which can lawfully do so, will gladly accept gold in return for anything else he or it has to sell. Great Britain went off the gold standard in September, 1931, the United States 1½ years later. Germany in 1935 was finally denuded of her gold, Brazil lost hers some years ago. Italy is exchanging hers for war munitions. But the demand still grows.

The world was producing less than one million fine ounces yearly in 1831 and this had grown to 23 million fine ounces yearly in 1914 when the Great War began. Advancing prices during the war years and later brought the total down to 15¾ million fine ounces in 1920. The output was 21 million ounces at the outset of the depression. In 1932 the 1915 world record was exceeded. Output has been going steadily upward ever since the United States began buying gold first at $31.36 and afterward at $35 an ounce. In 1935 the estimate production is 35 million fine ounces.

High prices have led to a great drop in use by arts and trades. In 1929 5.4 million ounces were needed for arts and industries and in 1934 only about 200,000 ounces.

THE EXPANSION IN KIRKLAND LAKE

A survey of plans being formulated looking toward the creation of new opportunities in mine-making in Ontario's premier gold mining area.

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TWO PRODUCERS IN BRIDGE RIVER SET FOR RECORD

Pioneer and Bralorne Both Undergoing New Development

From Our Own Correspondent

VANCOUVER. — The two big Bridge River operations, Pioneer and Bralorne, which between them have focussed more attention on British Columbia mining in recent years than any other properties, seem likely to have a record production during the present year. The spring has opened auspiciously for both mines, and if Pioneer's present deep level programme is successful, tremendous stimulus will be given to the whole Bridge River region. Bralorne, after a period of operation in lower grade ores, is now in better ground and should give a good account of itself.

C. N. R. Plan to Abandon Iberville Line Approved

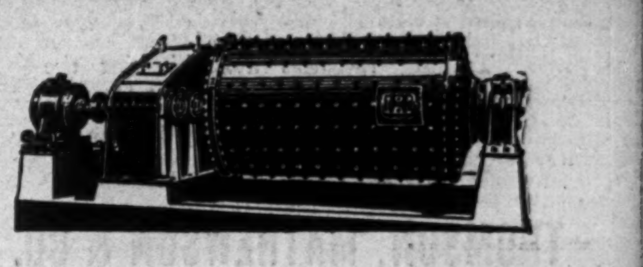
From Our Own Correspondent

MONTREAL.—Application of the Canadian National Railways for leave to abandon the section of line between Iberville and Farnham, P.Q., a distance of 22 miles, has been approved by the Board of Railway Commissioners.

At the same time the board approved an application that the Canadian National be permitted to run trains on the Canadian Pacific tracks between Farnham and Iberville. The decision is inoperative until the companies gave satisfactory evidence that they have complied with statutory provisions concerning employees.

Alberta Coke

Alberta's production of coke last year amounted to 190,551 tons, of which 20,045 tons were exported out of the province.



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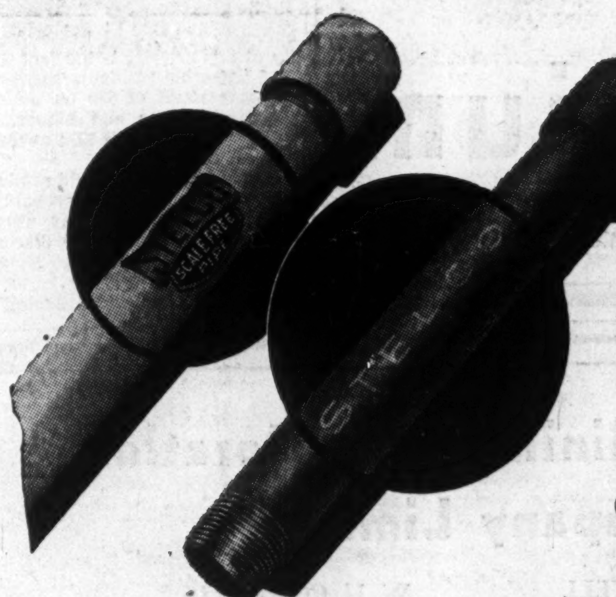
Trade Volume in 1935

Total Canadian trade in 1935 amounted to $1,292,667,000 compared with $1,173,797,000 in 1934, an increase of $118,870,000 or 10 per cent and compared with $938,998,000 in 1933, a gain of $353,669,000 or 37.7 per cent.



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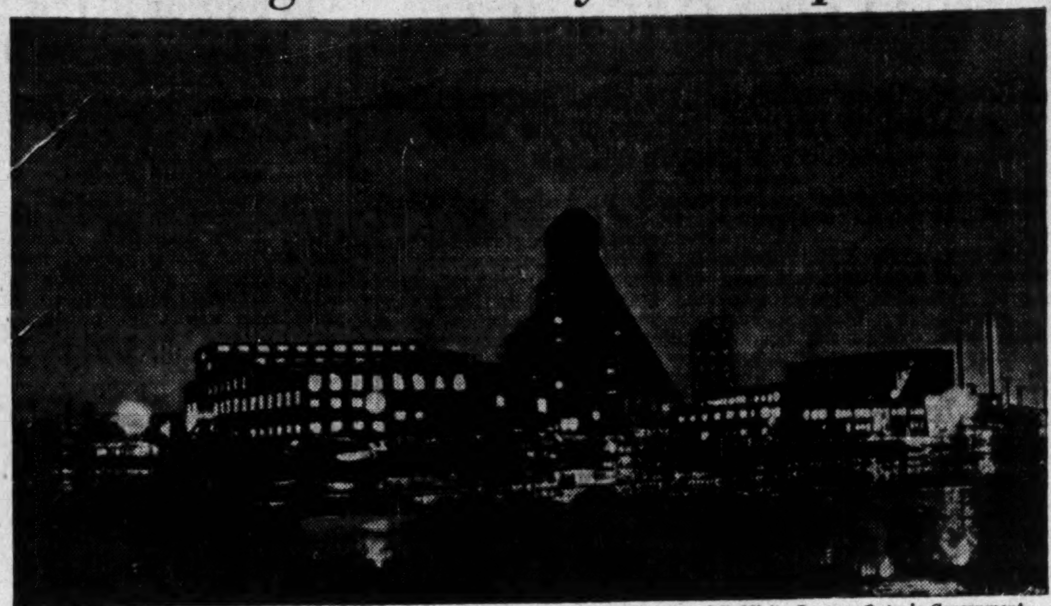
Midnight at McIntyre Porcupine



—Travel and Publicity Bureau, Ontario Government.

Canada's mining industry is a 24-hour-a-day industry. Night time in a mining centre, with all buildings brightly lighted and humming with activity presents a picturesque scene. The above view shows the mill at McIntyre, considered one of the most efficient in the world.

Porcupine Still "Big Shot"

Thirty-Year-Old Camp Currently One of the Most Active in Canada

The year 1936 will be, as far as the Porcupine Gold Camp is concerned, probably known to future mining historians as the year in which this veteran camp gathered itself together and demonstrated tangibly that it is still the "big shot" of Canada's mining areas.

By the comparatively narrow margin of some $300,000, Porcupine in 1935 ousted its great rival, the Kirkland Lake camp, from the leading position which it had held three years out of the last five.

In 1935, the total value of gold production from the Porcupine camp was valued at $33,317,833, as compared with $33,010,974 produced by the Kirkland Lake field.

While, in value of production, the 25-year-old Porcupine camp had a historic year, of still greater significance is the development activity going on in the immediately adjoining area, an activity which has given the area a new lease on life and has made it one of the highlights of the present Canadian mining picture.

Pay Roll $12 Millions

At the present time, Porcupine mines are distributing in wages and salary approximately $12 millions every year to approximately 7,000 employees. It would be interesting to compare this average wage per man of over $1,700 with the average wages paid for similar labor in the industrial centres of Canada.

Timmins, Schumacher and South Porcupine are throbbing with an activity not felt since the old boom days. To those who have not visited these communities, probably the best way of bringing home the reality of this activity is the fact that in 1935 Timmins residents spent a per capita amount of $30 on buildings, including stores and homes, compared with Canada's 1934 average of $10 per capita.

Apart from record gold production of the big producers, probably the greatest factor in this recovery was the major ore disclosures at Pamour Porcupine, Noranda's impressive subsidiary, to the east of the major producing belt. This property will start production some time in June, with an initial mill capacity of 500 tons of ore per day. It is believed by most observers that, judging from ore developments, a much larger tonnage will be necessary before many years. At latest reports, the only development work done at Pamour was down to the 200-ft. level. Drilling below this level, to a depth of approximately 600 ft., has given considerable promise of deep-seated ore bodies.

The discovery of this potentially great ore break was one of the big surprises of the 1935 mining picture. Pamour Porcupine Mines is an amalgamation of the old Three Nations Mines, LaPalme Porcupine Mines and the Porcupine Grande property, which date back to the first days of the Porcupine camp but which, prior to the amalgamation, never demonstrated that they had any particular promise.

Gillies Lake Producing

One of the new producers in this area in 1935 was **Gillies Lake-Porcupine Gold Mines,** whose property adjoins Hollinger and McIntyre Mines. Milling operations were started in the summer of 1935, and at latest reports the mill was handling between 75 and 80 tons a day. Several fairly promising veins have been uncovered on this property, and it is understood a certain amount of ore has been developed. Tonnage figures are not available.

Delnite Mines, which was formed in the fall of 1934 to acquire the property of LaRoche Mines, continued development with apparently satisfactory results, This company is a subsidiary of Sylvanite Mines, through this company's operating concern, Erie Canadian Mines. The property is being developed by means of three levels, and while initial production may be small, the possibilities of ore have by no means been exhausted.

In addition to its Pamour operation, Noranda was also active on the Pouley Vet and Porcupine Crease properties.

Hugh-Pam Mines, De Santis, Canusa, Porcupine Lake, Naybob, South Tiblemont and **Porcupine Watborn** are other properties which have been revised by the current boom in the Porcupine field.

Major Producers Busy

Accompanying this adjoining activity, the major Porcupine producers are now operating at a peak load.

Hollinger Consolidated, which has passed its 25th year, in its annual report for the year ended December 31, 1935, showed ore reserves at the highest peak in the company's history in point of value. With gold at $35 per oz., the reserves at the end of the year had a total valuation of $87,911,466. This tonnage does not include a large amount of low-grade material now made profitable by higher gold prices. The successful milling of this low-grade material, principally from the upper levels of the mine, has featured the progress of Hollinger in the past year or so. As a result of this policy, Hollinger has not impaired its earnings and has lengthened its life immeasurably. Net profits for the past year amounted to $1.02 per share. In 1935, Hollinger spent nearly $5 millions in wages, and over $2.6 millions for materials and supplies, practically all of which was produced and purchased in Canada.

This company is developing ore down to the 4,000-ft. level.

McIntyre at Depth

McIntyre Porcupine, a company whose mill is reputed to be the most efficient on this continent, is currently handling in excess of 2,000 tons daily. This company is having notable success with its depth development programme, in addition to mopping up low-grade material from other sections. In addition to its property in the Porcupine camp, McIntyre is developing two groups of claims in the Mud Lake area of Quebec, at least one of which—the former O'Leary Malartic property—will be equipped with a mill this year. **Beauplace Mines** has been formed to develop this property.

Dome Mines, the pioneer producer in this district, is currently handling well over 45,000 tons of ore a month. Recovery is running between $12 and $14 per ton. The present tonnage per day represents an all-time high for this property. In October, 1935, the company strengthened its property position by the acquisition of the Foley-O'Brien property adjoining to the east.

Coniaurum Tonnage Up

Coniaurum Mines underwent a period of increased milling capacity. Development work carried on during 1935 was all charged to current operations, and amounted to over $400,000. The company is understood to have liquid resources of over $900,000 at present.

One of the interesting developments during the year was the purchase of **Marbuan Mines** by the adjoining **Buffalo-Ankerite Gold Mines.** This acquisition has materially improved the ore position of **Buffalo-Ankerite,** and as a result the daily mill tonnage at this company was increased to approximately 500 tons per day. During 1935, the estimated value of Buffalo-Ankerite's production was $1,023,879. In the year the company earned approximately 22 cents a share and paid approximately 20 cents per share in dividends. During the coming months the company plans to complete the crosscut from the Marbuan winze and to increase capacity still further as development work warrants. During 1936 the earnings of the company should evidence an increase in proper proportion to the stock invested in the Marbuan property.

Paymaster Enters "Big Time"

Paymaster Consolidated Mines is concentrating development on the two main shafts, the Heinze and the West Dome Lake shaft. In January, 1936, ore reserves were estimated at 200,000 tons, and it is known that they have increased since that time. Production is running well over $70,000 per month from slightly over 10,000 tons of ore. Development work on the 1,450-ft. and 1,570-ft. horizons are proving interesting.

There was little new development at **Vipond Consolidated** property. This mine is nearing depletion and unless results improve will be shortly closed down.

Drummond-Hay Elected President of Packsack

At the annual meeting of Packsack Mines held in Winnipeg recently, the following directors were elected: H. R. Drummond-Hay, president; R. R. Collard, vice-president; R. D. Law, W. D. Shaw, D. A. Thompson, H. G. Tucker, directors, and C. C. Heubach, secretary-treasurer.

Nickel Promotion

DR. JOHN F. THOMPSON

For the past five years vice-president of International Nickel Co. of Canada Ltd., who becomes executive vice-president according to an announcement by Robert C. Stanley, president of the company.

Homestead Oil In Two Deals: Drilling Basis

Homestead Oil and Gas Co. announces that an agreement with Maverick Oil Co. has been concluded, under which Homestead agrees to drill two wells on lands in Stephens and Palo Pinto Counties, Texas. Part of the consideration for the drilling of wells is that without further payment, Homestead acquires approximately 2,000 acres of oil leases in this field.

Simultaneously, Homestead announces the conclusion of negotiations with Magnus Oil Co., under which an interest is acquired in that company. Magnus is drilling a wildcat deep test well in Schleicher County, Texas. This well is down to 4,350 ft. with an objective of 6,500 feet.

Lead Production

Canadian lead production during November was recorded at 32,362,403 pounds against 32,800,950 in October, while 31,630,995 were produced in November, 1934. The average price of lead at London was 3.98608 cents per pound in Canadian funds, at which price November output was worth $1,289,991.

Gold in Quebec

Gold production in Quebec during 1935 amounted to $16,613,000 compared with $13,458,000 the year before.

The buying and selling of

Mining Stocks

is an important part of our activities and we are in a position to furnish Information relative to such issues. Enquiries are invited.

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Head Office: THE ROYAL BANK BUILDING, MONTREAL

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Subscribers to The Financial Post are entitled to information regarding their Canadian investments. If not already a subscriber, address your enquiry to the Investment Department when sending in your subscription.

Buffalo Ankerite Gold Mines Limited

(No Personal Liability)

HEAD OFFICE AND MINE:
SOUTH PORCUPINE, ONT.

EXECUTIVE OFFICES:
RAND BUILDING, BUFFALO, N.Y.

Capital Stock — $1.00 Par Value

Authorized .... 1,000,000 shares
Issued .... 701,679 shares

(The issued stock of Buffalo Ankerite Gold Mines, Ltd., during 1935 was 578,207 shares. There was issued in 1936, 123,472 shares in acquiring the Marbuan Gold Mines, Ltd. properties adjoining this company's property. This deal when approved was closed as of November 30th, 1935, requiring the December 31st statement to include this additional issued stock.)

OPERATING AND PROFIT AND LOSS STATEMENT
For Year Ended December 31st, 1935

REVENUE:		
Bullion Recovery:		
Total Production of Buffalo Ankerite Mill	$1,023,358.51	
Marbuan Mill during December, 1935	33,295.34	
		$1,056,653.85
Adjustment in value of ore in solution		1,045.97
		$1,057,699.82
Interest Earned		3,569.38
Miscellaneous Income		1,985.90
		$1,063,255.10
EXPENDITURE:		
Mining	$377,218.29	
Milling	137,984.85	
General	106,889.10	
Development and Exploration	129,221.56	
		751,313.80
Operating Profit before Depreciation and Development Write-Off		$ 311,941.30

(The operating profit at the Ankerite mill, as an independent operation, was $304,196.91 after write-off of all development during the current year, excepting a portion of shaft sinking carried forward to 1936 and amounted to $.526 per share on the 578,207 shares of Buffalo Ankerite outstanding during 1935.)

Depreciation of Fixed Assets	$ 46,970.89	
Development Written Off	87,796.93	
		$ 134,767.82

(All current development for the year 1935, excepting a portion of the shaft sinking expense, was written off in 1935, as shown above under development and exploration and this $87,796.93 is a write-off of development prior to 1935 and prior to production.)

Net Operating Profit for the Year		$ 177,173.48

Ore Reserves at Dec. 31, 1935

Buffalo Ankerite Section:	Tons	Grade, Oz.	Marbuan Section:	Tons	Grade, Oz.
Broken	105,379	.2196	Broken	15,665	.1500
Positive	360,648	.2622	Positive	33,520	.1437
Probable	478,120	.2240	Probable	18,380	.1306
Possible	65,820	.2675	Possible	16,360	.1233
	1,009,967	.2404		83,925	.1379

Diamond Drilling

Diamond Drilling below the 875-foot level Ankerite section north zone intersected excellent ore bodies as shown by the following brief summary of diamond drill records:

Core, ft.	Grade $/ton at $20 gold	Core, ft.	Grade $/ton at $20 gold
5	$ 2.40	* 9.3	3.53
10.7	14.00	* 7.9	9.50
6.8	2.15	*29.3	15.42
9.5	21.85	*20.7	18.60
8.5	8.25		

*True Widths

Each intersection is separate but those in the same hole are grouped.

EXTRACTS FROM REPORT OF DIRECTORS TO SHAREHOLDERS
For Year Ended December 31st, 1935
As to Operation Policies for the Year 1936

"During the year 1936 the earnings of the company should evidence an increase in proper proportion to stock consideration invested in the Marbuan properties. Indications of this profit are already evidenced by the operating profits shown during December, 1935, and January, 1936, at Marbuan. The 1050 crosscut from Marbuan to Ankerite's north zone will be completed in the near future, reaching an important ore zone on the Ankerite property many months prior to any possible independent Ankerite operation. * * * *"

"The operation policy for 1936 includes the completion of the crosscut from the Marbuan winze to the 5-7 ore zone, the connecting of this crosscut with the main Ankerite shaft, crosscutting to the No. 1 and 2 veins from the main shaft on the 875 and 1050-foot levels and drifting east and west on these veins. Alterations will be made in the crusher plant and Ankerite and Marbuan mills to increase capacity providing that the development work progresses sufficiently to warrant increased tonnage.

On Behalf of the Board of Directors,
EDWARD G. KINKEL,
Managing Director."

January 31st, 1936.

A copy of the complete Annual Report and Financial Statement may be obtained from the Company's offices at Buffalo.

CANADIAN MINES which demand the best appreciate the quality of ALGOMA STEEL

Interior view of a Marcy Mill at a Northern Ontario mining operation showing a 25 ton charge of "ALGOMA" Grinding Rods.

Whether it be Grinding Rods . . . Rails in any weight . . . Rail Fastenings . . . Light or Heavy Structural Shapes . . . Round, Square or Flat Bars . . . High Tensile, Shock Resisting Alloy Steels in Bars or Billets . . . Spring, Axle, or Forging Steels . . .

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Drilling Commenced
March, 1933

GOD'S LAKE GOLD MINES LIMITED

No Personal Liability

First Gold
Brick Poured
September, 1935

RED LAKE GOLD SHORE MINES
LIMITED
(No Personal Liability)
Incorporated under the laws of the Province of Ontario
Capitalization ..... 5,000,000 shares no par value
Issued .... 4,500,000 shares

OFFICERS AND DIRECTORS
President CHARLES E. ST. PAUL, Toronto
Vice-President IRA E. HOUGH, Toronto
Secretary-Treasurer DR. ROBERT W. BREULS, Toronto

DIRECTORS
HARRY A. NEWMAN, K.C., Toronto
CHARLES V. GALLAGHER, O.L.S., South Porcupine, Ontario
Consulting Engineer JOHN W. SHAW, New Liskeard
Resident Engineer W. P. MACKLE

HEAD OFFICE
244 BAY STREET,
TORONTO

MINE OFFICE
RED LAKE,
ONTARIO

PAULORE GOLD MINES LIMITED
(No Personal Liability)
Capitalization
Authorized .... 3,000,000 shares of $1.00 par value
Issued for properties ... 1,000,000 shares (pooled)
Treasury Issue — 330,000 shares

OFFICERS AND DIRECTORS
President
DR. ROBERT W. BREULS, Toronto
Vice-President and Managing Director
CHARLES E. ST. PAUL, Toronto
Secretary-Treasurer, E. M. TICE, Toronto

DIRECTORS
JOHN B. ST. PAUL, Red Lake
COLIN A. CAMPBELL, Red Lake
LUTHER E. WOOD, Buffalo

HEAD OFFICE — 357 BAY STREET, TORONTO

GOLD EAGLE GOLD MINES LIMITED
(No Personal Liability)
Capitalization
Authorized .... 3,000,000 shares of $1.00 par value
Issued for properties (not distributed) 1,018,000 shares

Gold Eagle Gold Mines Limited owns 25 claims, comprising approximately 960 acres, immediately adjoining the McKenzie Red Lake Gold Mines to the South and West.

OFFICERS AND DIRECTORS
President
WALTER F. STAFFORD, Buffalo
Vice-President and Managing Director
CHARLES E. ST. PAUL, Toronto
Secretary-Treasurer
MILLARD C. DORNTGE, Buffalo

DIRECTORS
JOHN T. OLIVER, Toronto
WM. S. ROGERS, Buffalo

HEAD OFFICE — 357 BAY STREET, TORONTO

Trade in December

Domestic exports in December amounted in value to $68,419,000 compared with $61,275,000 in December, 1934, a gain of $7,144,000 or 11.7 per cent.

McWatters Gold Mines Limited
Authorized Capital 2,000,000 shares (No Par Value)
Issued Capital 1,860,506 shares (No Par Value)

OFFICERS AND DIRECTORS

Robert Cockeram	*President*	Toronto, Ontario
Peter T. Graham	*Vice-President*	New Liskeard, Ontario
Clarence F. Tuer, K.C.	*Sec'y.-Treas. & Director*	Haileybury, Ontario
David H. Angus	*Director*	Haileybury, Ontario
Lloyd B. Rochester	*Director*	Ottawa, Ontario

Secretarial and Head Office
HAILEYBURY, ONTARIO

Mine Office
ROUYN, P.Q.

Prospectors Airways Company Limited
Incorporated under The Dominion of Canada Companies Act
Authorized Capital 1,000,000 shares without Nominal or Par Value
Issued Capital 660,000 shares without Nominal or Par Value

The Company owns and operates its own airplanes and is equipped to carry out exploration and prospecting in all parts of Canada.

OFFICERS AND DIRECTORS

R. Cockeram	*President*	Toronto, Ontario
Peter T. Graham	*Vice-President*	New Liskeard, Ontario
Lloyd B. Rochester	*Director*	Ottawa, Ontario
C. F. Tuer, K.C.	*Director*	Haileybury, Ontario
A. Dorfman	*Director*	Toronto, Ontario
J. Ingram	*Secretary-Treasurer*	Toronto, Ontario

HEAD OFFICE
80 King St. West, Toronto, Ont.

AIRPLANE BASE
Senneterre, Quebec

Manitoba's Minerals

Gold Value Rises from $641 to $5 Millions in 14 Years—At Least 7 Gold Producers in 1936

The rise of Manitoba's mining industry is typified by gold.

In 1923, the value of Manitoba's gold production was set at $641.

In 1935, the value of gold production was established by the federal government to be worth no less than $5,156,853.

Total mineral production for 1935 is estimated at $10,542,351, an increase of 17 per cent over 1934.

Manitoba now has six producing mines, with a seventh due to be in production in April. In addition, some 55 companies are actively engaged in development work, including about a dozen which are developing underground. This total of 62 companies actually working their properties compares with about 40 active companies at the start of 1935.

Another indication of the growth in Manitoba mining in the past few years is the fact that in 1935 the province set new high records in the production of gold, copper and zinc. Gold output increased 11 per cent, copper 21½ per cent, and zinc 11 per cent in volume.

Manitoba, which is comparatively young, minerally speaking, suffered, along with other provinces, from the paucity of speculative capital which existed throughout most of 1935. As a result, prospecting was not quite as active as in 1934. With the rise in the market, however, which started early in January, capital is becoming more accessible, and that essential to a healthy mineral industry, prospecting, will, in all probability, grow in tempo during the coming season.

Hudson Bay Smelters

Increased copper prices, improved metallurgy, and expanded development all combined to make it a successful year for that gigantic enterprise at Flin Flon, the **Hudson Bay Mining & Smelting Co.** Employment at this copper-zinc-gold-silver producer has increased about 14 per cent since 1934. In addition, the company, last September, restored all pay cuts, and at the present time the 1929 level of wages prevails for the 1,275 employees.

Last August 31, Hudson Bay Smelters paid its first dividend, a healthy one of 50 cents per share. Less than five months later, on Dec. 16, another dividend of 50 cents per share was paid.

Hudson Bay is now handling about 4,400 tons of ore per day. Plans are under way to obtain the total tonnage treated from underground, instead of obtaining much of the mill-feed from the open cut operations.

Metallurgical improvements include the production of selenium and the completion of a plant for the production of metallic cadmium. Work is nearly finished on a fourth copper roaster, and two additional ball mills started operation, one in the latter part of December, and one in February, 1936.

God's Lake Gold

God's Lake Gold Mines, in addition to handling between 145 and 150 tons of ore per day, is carrying on development on four levels. The fact that lean horizons were encountered on the third and fourth level had, early in 1936, a bearish effect on the company's stock. Officials of the company, however, recently told The Financial Post that a drill hole from surface to a depth of 535 ft. gave values of 2.2 ounces to the ton over a 12-ft. width, and about 200 ft. west of the station. While this is only one drill hole, and further drilling will have to be done to establish the significance of the ore, it has served to reaffirm faith in the property marketwise.

Two Years Ore Supply

During the time of the depressed stock, the public apparently overlooked the fact that God's Lake Gold Mines has two years supply of ore ahead of the mill, a supply usually considered quite satisfactory for a property in similar stage of production.

God's Lake Gold Mines, the pioneer producer in the field, was brought to production in the face of tremendous geographical obstacles. While the mill was being built, over 6,000 tons of freight were hauled 130 miles over winter roads to the camp. A power site was erected at Kanuchuan Rapids, 42 miles away, with a 1,900 horsepower hydro-electric unit.

Jowsey Island Gold

To facilitate development of its extensive holdings, the company formed **Jowsey Island Gold Mines** in October, 1934, to develop the westerly section of the property. Jowsey Island, after proving the continuation of the God's Lake Akers break on to its property, started shaft sinking, the two-compartment shaft reaching its objective of 232 ft. on Feb. 29 last. The company is now timbering the stations, and lateral work on the second level started early in March.

Central Manitoba Mines, which was the first consistent gold producer in the province, continues to wage a hand to hand battle with its ore problems. Officials of the company freely admit that they are operating on almost a day to day basis, but the company's record in this regard has been amazing. Talk of suspending operations has frequently been heard for the past two or three years, but after every such suggestion underground exploration has resulted in opening up new ore allowing the property to continue in production. Last fall, Central Manitoba repeated this performance, and located new ore above the 100-ft. level in the Hope Section, and above the 375-ft. level in the Kitchener section. The board has agreed with the consulting engineer that deeper development should be carried out, and about $15,000 was spent for new equipment to carry out this work. This deeper work will be aimed at opening up sections which have stood the test of drilling.

During 1935, Central Manitoba milled 41,485 tons, and recovered 11,676 ounces of gold and 2,566 ounces of silver.

San Antonio Gold Mines, which has the distinction of being Manitoba's first dividend paying mine, has added the adjoining **Gabrielle Gold Mines** property to its holdings. This acquisition has materially improved the ore outlook for San Antonio, giving the company over a mile of favorable formation in which its ore has been found. For its assets, Gabrielle received 75,000 San Antonio shares.

The mill capacity at San Antonio is now 300 tons per day. Development interest has centred on the new 1,050-ft. level where new ore has been opened up. The development of new ore, and the indications of further ore obtained have been the outstanding feature of San Antonio in the past year.

1935 Production

The company is also exploring an adjacent property, owned by Forty Four Gold Mines, from a long eastward drive on the 600-ft. level. All 1935 production, however, came from the San Antonio property proper, and amounted to 35,795 ounces of gold and 3,982 ounces of silver.

Manitoba's seventh producing mine, and its sixth producing gold mine, is almost certain to be **Gunnar Gold Mines,** in the Big Rice Lake area of the Central Manitoba field. Work on a 150-ton mill is up to schedule, and it is expected that this property will be in production next month.

Gunnar, which was first staked in 1918 was acquired, early in 1933, by the LaBine brothers and associates, after a new find had been made on the No. 1 vein. Production comes in the third year of the company's existence.

It was the results obtained on the 500 and 775-ft. levels from the No. 1 shaft which determined that the property was to be a producer. Last year, a second shaft was sunk, but development work to 125-ft. depth did not confirm the surface promise, and the company's engineers returned to the original sections, where good results were obtained.

Financing for the mill was obtained largely through a loan obtained from Ray T. Birks, K.C., Toronto solicitor, who advanced $250,000, and was given an option on 150,000 shares of stock at $1 per share to October, 1936. Directors of the company are confident that the entire loan can be paid from production, irrespective of whether the option is exercised.

In August, 1935, ore blocked out was estimated at 85,000 tons. On a 150-ton per day basis, this would be sufficient to supply the mill for over a year and a half. Since August, however, it is understood that that development has increased this estimated tonnage.

Diana's Difficulties

Production on a small scale was continued at **Diana Gold Mines,** although at the time of writing, the company is negotiating with creditors ,who have claims of approximately $65,000. In February, an interim receiving order was granted in Winnipeg, but it is understood that creditors are willing to grant an extension to allow the property to get further development, under a revamped board of directors. In the meantime, the ore picture remains rather obscure, much depending on further work on the 750-ft. level, where a new ore body is only partially developed. There are still some 1.8 million shares in the treasury, so that a reorganization seems unlikely.

Rice Lake Area Active

Other active properties in the Rice Lake area include **Packsack Mines,** which is now being financed through Anglo-Huronian, **Gold Lake Mines** on which excellent results are being obtained, **Rice Lake Gold Mines, Manitou Gold Mines, Ranger Gold Mines, Hole River Mining Co.** and others. Most of these properties are in the preliminary development stage, but the success obtained by San Antonio at depth has served to spur the whole district to new activity.

In the northern part of the province, Wylie-Dominion Gold Mines, sold its assets to **Gurney Gold Mines,** which is meeting with initial success.

Sherritt - Gordon Mines former copper - zinc producer, remained shut down pending a stabilization of copper prices at around ten cents per pound. Recent movements of copper prices enhance the outlook for this Lindsley enterprise, an enhancement which has been reflected in the price of the company's stock.

Amazing Strides Made By Commercial Flying

Important Industry Recovers Despite Setback of Four Years Ago — Spreads Civilization Through North Country

Canada's debt to the airmen of the north is not well enough known.

Without benefit of ballyhoo, these men are doing an amazing job, displaying a courage, both physical and fiscal, which will one day form one of the sagas of Canadian history.

Whether Canadians know it or not, Canadian flying is showing sensational gains. In 1935 total freight, express, and air mail carriage totalled over 27.5 million pounds as compared with 15 million pounds in 1934. In a year, then, commercial flying has shown a gain of over 83 per cent.

The growth of commercial flying in Canada can best be shown in the following table:

Commercial Flying Record

	Passengers No.	Freight lb.	Mail lb.	Ton-miles No.
1935	177,472	26,439,224	1,126,064	2,518,451
1934	128,031	14,441,179	625,040	838,114
1933	106,252	4,205,901	539,358	237,300

But there is more to the story than figures.

Most of this increase in freight is due to the mining areas. But there are many areas in Canada which owe their existence today to the air route.

It is safe to say that without the airplane, many areas would never have been discovered, and would certainly not have been in the advanced stage of development they are in today. A few such districts are God's Lake, Echo Bay at Great Bear Lake, Beaver Lodge at Athabaska, Outpost Island at Great Slave Lake, Howey, and the Pickle Lake area, in Ontario, and the Chibougamau district of Quebec.

These are producing, or near-producing districts which owe their very existence to the airplane.

No Subsidies Obtained

The job which such airplane companies as Canadian Airways, Wings Ltd., General Airways, Skyways, and others are doing affects the future of Canada to a little realized degree, inasmuch as they are continually opening up new areas, and keeping these new areas alive after they have been opened up.

In this work, Canadian airplane companies are unique in that they enjoy no government subsidies. The industry is the result of private investment.

Airmen are inclined to smile at the bitter controversy recently waged over the cancellation of certain hydro contracts. They recall the action of Ottawa in arbitrarily cancelling air mail contracts made in 1930.

This cancellation was a severe setback to commercial flying in Canada. The fact that it did not spell complete doom to the industry was due to the resourcefulness of both the mining industry and the airplane industry in combining to their mutual benefit.

A layman making his first trip into the north with one of these pilots, cannot help but be struck with the air of routine which pervades the whole undertaking. Office officials, dispatchers, pilots, and mechanics view the take off of a plane to a point 300 miles away in the bush, separated from the starting point by miles of rugged country and rugged atmosphere, with no more excitement than they would the departure of a bus from Toronto for Hamilton.

Hazards Eliminated

That is because these men know that the old hazards of flying, even in the wilds of Canada, have been overcome. Their business is to them as free from physical hazard as the bus driver's is to him.

Yet to the layman, it is doubtful if flying will ever become routine.

The writer was in Bissett, in the Rice Lake district of Manitoba last March, when a midnight brawl took place in one of the shacks. Knives were drawn, and one of the participants was fatally stabbed.

Here was crime in a bushtown, 120 miles from civilization as the crow flies. But it was not handled in a bushtown manner. The day following the stabbing, the inquest was held, attended by the crown prosecutor, defense counsel, and police, all from Winnipeg, and all flown in. There was no more delay or confusion than if the alleged murder had taken place in the heart of a great city.

In such ways are the airplane companies laying the blanket of civilization in New Canada.

In the unvarnished records of such companies as Canadian Airways, are daily chronicles of flights made for humanitarian reasons.

This is one reason why there are few, if any places in Canada which can be called uncivilized today.

For geographical reasons, and due to the wide distribution of her population, Canada's transportation problems are more acute than in any comparable nation in the world.

All forms of transportation have played their part in developing the Dominion. All forms of transportation are still utilized.

To cope with this problem of geography and distribution, no form of transportation is better equipped than the airplane, which can combine with all other forms, from the canoe and dog team to the railroad and the truck.

Asbestos

Exports of asbestos in December amounted to 15,870 tons valued at $803,618, compared with 8,713 tons at $390,832 a year ago.

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We invite correspondence on all listed and unlisted Canadian Mining and Industrial Securities

LITTLE LONG LAC GOLD MINES, LTD.
(no personal liability)

CAPITALIZATION
Authorized .... 2,000,000 shares no par value
Issued .... 1,833,000 shares

Property
Consists of 35 claims, approximately 1200 acres at Little Long Lac, Ontario. The property is east of the Nipigon Forest Reserve and two miles south of Geraldton.

Development and Production
Little Long Lac came into production late in November, 1934. It is now milling approximately 185 tons daily.

Ore Reserves
As of April 17, 1935, there was 10,342 tons of broken ore averaging .74 ozs. and 215,000 tons of partially developed ore.

A heavy development programme has been under way since this time, and approximately 90% of the drifting has been in ore.

DIVIDEND
An initial dividend of 10 cents per share was paid January 20.

OFFICERS AND DIRECTORS
JOSEPH ERRINGTON, President, Toronto
THAYER LINDSLEY, Vice-President, Toronto
L. A. MacDONALD, Sec'y-Treasurer, Toronto
A. B. GORDON, Director, Toronto
D. M. MORIN, Director, Sudbury
D. M. HOGARTH, Director, Toronto

HEAD OFFICE
25 KING ST. WEST
TORONTO, ONT.

MINE OFFICE
GERALDTON, ONT.

Bankfield Gold Mines Limited
(No Personal Liability)

CAPITALIZATION
Authorized - - - - 3,000,000 shares
Outstanding - - - - 2,783,738 shares
PAR VALUE: $1.00

Property consists of 16 mining claims, totalling 728 acres, located on Magnet Lake, in the Little Long Lac area.

DEVELOPMENT—A three compartment shaft has been sunk to a depth of 550 ft. Levels have been established at 150, 275, 400 and 525 ft. The ore body has been opened up by drifting and raising on the first and second levels. Development of the fourth level is now under way.

DIRECTORS:
President: C. D. H. MacAlpine
T. H. Stinson
Jos. Errington
D. M. Morin
J. H. C. Waite
F. J. Bailes, Secretary-Treasurer

Head Office: 100 Adelaide Street West, Toronto, Ont.

What's Ahead of Quebec?

May Be Four New Producers in Province By End of 1936—Field Surveyed Shows Possibilities

Quebec has earned the reputation of being Canada's fastest growing mineral province.

If the comparison is confined to gold, the reputation is deserved, although much depends on the span of time on which the comparison is based.

In any event, Quebec has done striking things with its gold fields in the northwestern parts of the province in the past few years.

Coupled with increased gold production in 1935 was a marked recovery in the asbestos industry, in which Quebec holds world supremacy. A glance at the table below shows the extent of this recovery. Of the 212,857 tons of asbestos produced in Canada in 1935, 210,164 tons originated from Quebec.

In addition, increased markets for building materials, and a consequent increase in production, are a recent development.

12 Per Cent of Canada's Output

As a result of all these factors, the value of Quebec's mineral production in 1935 reached an estimated $37 millions or 12 per cent of Canada's total production.

Developments last year have supported the view that it is in her copper-gold ores that Quebec's big future lies.

Quebec has a long record as a gold producer, the first metal being obtained from the placer deposits in the valley of the Chaudiere River. Despite this long record, it is only recently that gold production has reached an important height.

Since 1914, all Quebec's gold has been from lode mines, as against the long years of placer operations prior to this date.

Greatest gold producer of all is the Horne mine of **Noranda Mines Ltd.**, from which comes approximately 60 per cent of the total gold output of the province.

Noranda, in addition to being the greatest gold producer in the province, is also one of Canada's greatest copper producers. An increase in copper prices in recent months has been one of the greatest immediate influences on this company's affairs. In 1935, the average monthly price of copper in London was about 7.8 cents per pound, as compared with an average monthly price of 7.4 cents per pound in 1934. This increase may appear small, but on the basis of an estimated 1935 copper production of about 76 million pounds, this slight increase in price means an addition of some $300,000 to the gross earning of Noranda.

Sinking New Shaft

During the early part of the current year copper prices have maintained an even higher mark.

At the present time the company is sinking a new shaft, known as No. 5 shaft, with an objective of 3,000 ft. This is the depth to which No. 4 shaft has been sunk. The new shaft will reach its objective before the end of 1936, according to company plans.

In addition to its main property, Noranda is currently investigating, largely by drilling, the Porcupine Creek claims and Poulet Veteran claims in the Porcupine area. The Pamour Porcupine property in the same area is being brought to production on a 500-ton per day basis under the guidance of Noranda, which has an option on a block of stock.

A property of potential interest is the Coffin-Gilligan claims in the Chibougamau district of Quebec. The ore here has been shown to be of low grade, but option payments are being met on the property because if Consolidated Mining & Smelting Co. meets with success on its properties in the area, improved means of transportation may be provided, and property may have possibilities as a commercial producer. In view of these facts, Noranda, to comply with the terms of its options, has formed **Norbeau Mines Ltd.** to hold title to the claims, but a resumption of operations in the immediate future is not contemplated.

Three New Producers

Three new gold producers started up in Quebec in 1935, with four more planned to be in production in 1936.

Of the 1935 debutantes two started production almost simultaneously. **Lamaque Gold Mines**, subsidiary of Teck-Hughes, started production in April, with an initial capacity of 250 tons per day. This rate was maintained until November, when the full 500 tons per day was turned on. On January 1, 1936, broken and blocked out ore totalled 316,191 tons, with an average grade of 6.86 dwt. or about $12 at current gold prices.

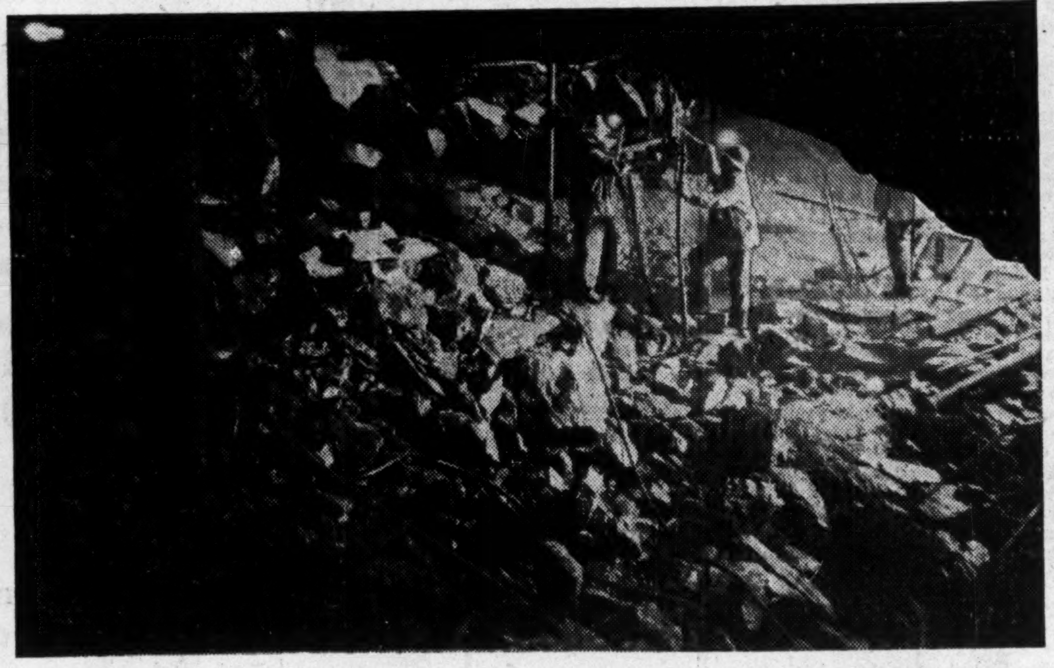
In the nine months ended Dec. 31, 1935, Lamaque earned about two cents per share after all expenditures and write-offs.

Canadian Malartic

Canadian Malartic, another 1935 producer, started up in April 26, with an initial capacity of 130 tons daily, and gradually was brought up to about 157 tons per day. The company plans to double the capacity of its mill during the present year. As at Dec. 31, 1935, assured and indicated ore totalled 609,000 tons with an average grade of 0.19 ounces, or about $6.96. Operating costs of about $4.80 were secured on the 157 tons per day basis. The earnings position of this Ventures subsidiary should be very much improved when the tonnage is increased.

A third new 1935 producer is **Arntfield Gold Mines**, subsidiary of Arntfield Mining Syndicate. The new mill is designed for treating 125 tons of ore per day, but officials believe it to be capable of 200 tons per day. At the present time the company is deepening the No. 3 shaft from 525 ft. to 825 ft. This is the initial step in a programme of enlarged development to give the mine five working levels and to open a section of the mine immediately below the major ore bodies developed in the upper levels. Excellent development results on the 525-ft. level have initiated this policy.

Stoping at Arntfield Gold Mines



One of Quebec's new gold producers is Arntfield Gold Mines, in Boischatel twp., which started production last July. Above is an unusual photograph of stoping operations on the third level.

Stadacona & Shawkey

Of the four new producers planned for 1936, **Stadacona Rouyn** with a proposed mill capacity of 200 tons, and **Shawkey Gold Mines**, with a proposed mill capacity of 150 tons are the nearest to production. Stadacona Rouyn expects to be in production in June, 1936. Ore reserves of 170,315 tons, with an average grade of .227 ounces per ton have been developed on the three levels opened up to date.

Shawkey Gold Mines, which hopes to reach production very shortly, has a mill which can be stepped up to 200 tons per day with a minimum outlay. In November last, the company reported 75,000 tons of proved ore, with an average grade of about .37 ounces per ton.

O'Neill Thompson Gold Mines in Joannes twp. is also understood to be planning production in a small way in 1936. Recently the company estimated 2,000 tons of positive ore, and 2,000 tons of indicated ore, with the indicated average of $12 per ton.

Tiblemont Island is also being mentioned as a possible producer, although little is known of the ore picture.

In addition to this line-up of producers and potential producers, Quebec has obtained good results from its established producing mines.

Beattie Expanding

Beattie Gold Mines, another subsidiary of Ventures Ltd., added another unit to its mill late in 1935, which brought the production capacity up to about 1,400 tons per day, as compared with the 1,100 tons former capacity. Another 100-ton per day step up is at present being executed, bringing the total capacity to 1,500 tons per day. Although complete 1935 reports are not as yet to hand, it has been estimated the company will earn about 13 cents per share in 1935, before allowing for depreciation, taxes, or deferred development. Increased tonnage should result in higher earnings for 1936.

Greene-Stabell

Greene-Stabell Mines, whose copper-gold property started in production in November, 1933, treated 25,462 tons in 1935, from which 6,717 ounces of gold, and 231,123 pounds of copper were produced, as compared with 6,865 ounces of gold, and 257,464 pounds of copper the previous year. The outlook for Greene-Stabell is uncertain at the present time, much depending on the result of development on the optioned Stabell Lake Gold Mines property. In August, 1935, John Hammell, president of the company, advanced $100,000 to complete this development, interest being at the rate of 6 per cent, to be paid out of first earnings. Although the annual report has not yet been issued, it is not expected to show any material improvement in the ore picture.

O'Brien Gold Mines has been steadily producing on its Cadillac twp. property since February, 1933. Until Sept., 1934, management was in the hands of O'Brien-Cadillac Mines, which turned its assets over to a public company at that time.

Feature of this company's 1935 programme was the start made in opening up four new levels from the 500-ft. to the 1,035-ft. level. Two of the levels developed to date have failed to come up to expectations, but the geology of the area, and the experience of other mines in the district, lead officials to believe that at depth more encouraging results will be obtained. Average grade of ore treated so far is about $9.35 per ton, with total operating costs working out to about $7.90 per ton.

Perron's New Mill

Last January, **Perron Gold Mines**, in Pascalis and Senneville twps., completed work on a new 125-ton cyanide mill to replace the 25-ton test mill in use for several years. Ore developments indicate that the 125-ton mills will have to be doubled before production has continued very far. The company has been grossing about $10,000 per month from the test mill operations. No recent estimate of ore reserve tonnage has been made but results from development, and the operations of the test mill indicate a grade of over $20 to the ton might be expected.

One of the big disappointments of the 1934 season was Thompson-Cadillac Mines Ltd., which suspended operations of its 150-ton mill in November, and shortly afterward went into bankruptcy. Faith in the property, however, induced a group of men to resume development work and **Thompson-Cadillac Mining Corp.** was formed, with the result that, according to Andrew Walz, consulting engineer, the property now is making an apparently worthwhile attempt at a comeback, and is meeting with success in developing ore.

Granada's Fire

In October, 1935, fire destroyed the mill and shaft house of **Granada Gold Mines.** Although the president, R. C. Gamble, promptly announced that plans were under way for a new 500-ton mill, construction was postponed, and development work, largely financed by loans from the president, was continued, with inconclusive results.

McWatters Gold Mines, which came into production in September, 1934, has given a good account of itself since, although the stock had not, at time of writing, reached the high of $2.15 reached in the early part of 1935. This fact may probably be accounted for by the fact that most of the ore treated in 1935 came from development work, and varied considerably in grade from month to month.

The underground situation at McWatters, as explained by the president, Robert Cockeram, is such that a close estimate of ore reserve tonnage and grade is rendered impossible. Recently, however, the management made a conservative estimate of 35,000 tons of broken ore, with an average grade of $20 and 40,000 tons of ore in place, with an estimated grade of $15. On the present mill rate of about 90 tons per day this supply would be sufficient to last the mill for two years.

Pays First Dividend

On Dec. 18, the company paid its initial dividend of five cents per share, calling for a distribution of $94,275 on the 1,885,506 shares outstanding.

No survey of the Quebec field would be complete without reference to the potentially important Chibougamau area, where Consolidated Mining & Smelting Co. is doing pioneer work. This is a huge area of copper-gold bearing rocks, in which many claims have been staked, and properties optioned by big Canadian companies. Its chance as a profitable producing area appears to depend on the proving up of big tonnages, as the ore is understood to be fairly low grade. Smelters, which is working the property of Consolidated Chibougamau, successors to Chibougamau Prospectors, is getting excellent results, and the prospects of the Chibougamau area, long an enigma to Canadian mining men, have been materially enhanced by developments of the past twelve months.

DRILL LOCATES "BEST VEIN YET" AT B. C. NICKEL

May be Pride of Emory Vein at Depth

From Our Own Correspondent

VANCOUVER.—B. C. Nickel, operating near Choate, B.C., in the Yale district, is reported to have encountered the richest vein so far from the 3,200 raise at a depth of 273 ft. drilling having produced a core assaying 1.77 per cent nickel and .80 per cent copper.

Another drill hole from the same level revealed similar formations, assaying 3.2 per cent nickel and 1.10 per cent copper. Officials are of the opinion that these discoveries are a downward continuation of the mine's Pride of Emory ore body.

There was an unusually heavy snowfall at Choate in the winter and some of the operations were hampered as a result, according to Major C. B. North, superintendent, but developments have progressed considerably nevertheless, and prospects are said to be satisfactory.

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Gold has now reached first place in the Mineral Production of Quebec. The Province ranks second as a gold producer among the Canadian provinces.

Quebec's Annual Gold Production
Showing Its Rapid Growth

Year	Value	Year	Value
1926	$ 76,070	1931	$ 6,476,103
1927	172,214	1932	9,417,576
1928	1,240,435	1933	10,950,540
1929	1,876,960	1934	13,458,554
1930	2,930,480	1935	*16,550,000

* estimated

The following Western Quebec mines contributed to the gold production in 1935 — Noranda, Siscoe, O'Brien, Granada, Beattie, Bussières, Greene-Stabell, Perron, McWatters, Aldermac and Sullivan.

Several new properties should come into production during 1936 and increase the gold output of Quebec mines.

Copies of geological reports, mining law, and other information concerning mining and mineral resources of the Province sent free on application to The Director, Bureau of Mines, Quebec.

Honourable J. E. Perrault
Minister of Mines, Quebec, Canada

1936 Spotlight Swings To Pickle Lake Field As Development Grows

With Two Established Producers, New District Attracts Fresh Capital — May Be Important Year

It is still possible to visit glamorous gold camps, where bewhiskered, hard-bitten forty-niners sit around a camp fire playing poker for gold dust.

The cost is around 35 cents and the distance no farther than the neighborhood movie house.

But modern gold miners are too busy with airplanes, diamond drills, compressors, and shaft sinking to provide colorful entertainment of the Hollywood variety.

Modern gold mining is for those who look ahead, and in spite of the romantic saga, written many times, of the early days in the Pickle Lake-Crow River area of the Patricia district in Northern Ontario, the real story of that camp also lies ahead. John E. Hammell, Fred Connell, Reginald Hore and the others who pioneered the development of Patricia are the same men leading in mining activity in the area in 1936. Properties are the same as those cold-shouldered a dozen times back in 1929, but the whole area is being subjected to intensive exploration and its greatest achievements seem to be still in the future.

Pickle Crow, the Hammell-directed producer is making rapid strides toward deep-seated, high grade gold tonnage and underground development is currently at a stage where observers believe the mine holds greater promise than at any time in the past.

Drift faces on the lower levels are widening, values are increasing with depth and milling increases are scheduled as soon as additional power is obtained.

Extensive surface exploration is planned on hitherto undeveloped sections of Pickle Crow ground during the coming summer.

New Properties Emerging

Central Patricia, adjoining Pickle Crow to the south-west is also preparing for expansion during 1936, **Kaw-Crow Patricia Gold Mines**, east of Winoga, and **Winoga Patricia**, bordering Pickle Crow on the east, are being explored, and plans call for active programmes this summer on both.

Albany River Mines, to the north of Pickle Crow, and **Gateway Patricia**, bordering the western boundary of Central Patricia are other properties of potential importance that will enter the limelight of mining interest in the camp during the next few months.

The Pickle Lake region, contrary to general opinion, is not a two-mine camp, although Pickle Crow and Central Patricia to date have held the centre of attention. The area known as the Crow River schist zone is now believed to extend ten miles in a general east-west direction, with Gateway Patricia representing the western limit and Kaw-Crow the eastern limit, so far as the larger enterprises are concerned.

This zone is two to three miles wide, and embraces the properties mentioned above, although it by no means exhausts the possibilities of the immediate area which contains a considerable number of additional stakings.

Albany River Mines

Pickle Crow, however, is the hub of mining development in the ten-by-three mile area, and around it are gathered other projects which have shown sufficiently encouraging surface indications to justify further exploration work.

In the case of **Albany River**, shaft sinking to an initial objective of 250 ft. is planned, following exploration work already carried out by test-pitting and diamond drilling. A mining plant is on the ground, and is being assembled, according to latest word from the property. Development will be watched with interest this spring.

At **Winoga**, directly south of Albany River, preliminary work established the existence of the Crow River formations, and drilling has further advanced the exploratory stage of operations with encouraging results. A geological survey of the property is in progress, after completion of approximately 5,000 ft. of drilling.

Winoga's property, of 472 acres, adjoins Pickle Crow for a distance of about a mile, and for a width of five-eighths of a mile lies along the strike of the main vein of Pickle Crow.

Hore Prophecy Fulfilled

Reginald E. Hore, president of Winoga Patricia, is directing the enterprise, and he is also president of Kaw-Crow Patricia Gold Mines, adjoining Winoga to the east.

If John E. Hammell's faith in Pickle Crow has been borne out in a spectacular way, Reginald Hore is no less justified in his early faith in the district. As president and managing director of two companies now operating in the area Mr. Hore is the same man, who, as consulting geologist for the Canadian National Railways, voiced his prophecy of the region in 1929 as follows:

> "Surface showings on the recent discoveries on the Crow River, east of Pickle Lake, are very promising. The stripping and trenching of the properties (which are now known as Pickle Crow and Central Patricia) have disclosed important ore deposits, and, judging from what I saw, it is reasonable to anticipate that, in the near future, there will be two proved gold mines east of Pickle lake."

That was in 1929, and the truth of the prophecy is now common knowledge.

Drilling at Kaw-Crow

To return to the newer development of the camp, **Kaw-Crow** has already been diamond drilled with favorable results. Drilling is temporarily suspended and will be resumed this spring. Like Winoga, it is still in the prospect stage, since no underground development has taken place, but it, too, has the advantage of the pioneer work already done by Pickle Crow, and Central Patricia.

If both Winoga and Kaw-Crow continue to show encouraging results, they will have the advantage of power and other facilities established through the earlier efforts of their predecessors. The way is smoothed for newer operations and here too is further indication that large scale development of the area is still ahead. With what degree of success remains to be proved.

Newest addition to the potentialities of the Pickle Lake area is **Gateway Patricia Gold Mines**, as yet in a preliminary stage of exploration, but which lies within the schist zone, it is believed, and therefore holds promise of successful development.

Central Patricia

Co-leader with Pickle Crow, **Central Patricia Gold Mines** is now an established producer, with a record of recovery in 1935 of 22,061 ounces of gold and 2,296 ounces of silver. Extraction at Central Patricia's mill is at the high rate of 97.36 per cent, and additions are being made to the mill to bring it to capacity of 150 tons a day, if these have not already been made.

Additional power is also being arranged, as part of Central Patricia's expansion programme, and the latter is likely to prove of major importance this year in view of the fact that diamond drilling has materially improved the outlook for ore reserves.

Springer Showing

Regarded by some mining observers as "another gold mine" on Central Patricia ground is the Springer showing on the eastern end of the 64-claim property (an additional 40 claims were recently acquired but as yet are unpatented). A shaft is down to 175 ft. on the Springer showings and despite a shortage of power which has handicapped development, underground exploration on this ground has been decidedly encouraging. Average values of 2.35 ounces gold were found, for example, on an ore length of 198 feet, over a width of 14 inches, on four ore shoots developed from the 150-foot level.

Pickle Lake, as a camp, will be prominent in the Canadian mining scene this year. Pickle Crow is paying its first dividend—a milestone in the life of any gold mine.

Central Patricia, not yet earning a dividend, but with decided promise for the future, shares the spotlight of interest with its sister property on the northern boundary.

Of the others, no one knows what the future holds, except that they, too, are advancing along the road that leads from "Prospect" to "Gold Mine." Mining men believe they have an excellent chance of reaching their destination.

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Canada's Mineral Exports Greater Than Agricultural

Export value of Canada's metals in 1935 was greater by over $1.3 millions than the export value of Canadian agricultural products.

There is no catch to this statement. If it sounds amazing it is probably because the record of years has taught Canadians to think of Canada as essentially an agricultural nation as far as exports are concerned.

To define terms, the phrase "metal exports" refers to all mineral products officially classified under the heading non-ferrous metals. It does not include such non-metallic minerals as asbestos, clay products, coal, petroleum, etc.

Agricultural products include all grains, fruits and vegetable products.

Most government export reports include under these two headings many articles manufactured in Canada from non-Canadian raw materials. This is true of both agricultural and metallic classification.

For instance, aluminium is shown in most government tabulations under the heading metallic exports, whereas this is a product of imported ores. Similarly, under agricultural products are classified such items as rubber products and beverages, which are made entirely or partly from imported materials.

In order to give a true picture such re-fabricated articles are omitted from the following tabulation.

The term agricultural products does not include, of course, such animal products as milk and meat. This is the policy of Dominion Bureau of Statistics, Canada's authority in such matters.

The following table has been prepared from official government figures, and gives the export values of both metallic and agricultural products.

Metallic Exports
1935

Product	$
Copper	29,661,697
Lead	7,161,424
Nickel	36,285,482
Gold*	100,306,655
Platinum	5,055,901
Silver	11,835,189
Zinc	8,211,142
Cobalt	126,932
Total	198,644,422

*Ores and bullion.

Agricultural Exports
1935

Product	$
Wheat	137,152,807
Oats	5,276,905
Barley	4,155,529
Malt	2,968,547
Oatmeal	2,449,044
Flour	19,001,050
Bran	3,600,399
Cereal foods	3,427,530
Fruits & vegetables	17,115,045
Fodder	1,036,955
Hay	1,081,440
Total	197,265,251

Split Lake Head

HUGH C. McRAE

President of Smelter Gold Mines, and of Split Lake Gold Mines. The latter has announced the over-subscription of the public offering recently made.

Tashota Goldfields Extends "A" Vein

Tashota Goldfields reports that drilling has indicated an extension of the A vein to a hitherto unsuspected point 140 ft. west of its present face. At this point the drill core assayed 1.53 oz. gold, and indicated a width of 2.25 ft.

E. K. Fockler, engineer of Minefinders Ltd., in a message to the company's head office, reports that E stope is averaging .86 oz. gold across an average width of seven ft. for a length of 110 ft. The east stope breast, 9 ft. east of the main raise, is now in ore, and assays average 2.29 oz. gold per ton with an average width of 7 ft. 6 inches.

West C vein averages .16 oz. across a drift width for a length of 30 ft.

Siscoe Gold Mines Output Ahead of 1934

From Our Own Correspondent

MONTREAL.—Siscoe Gold Mines reports February production of $191,073. This compares with $206,301 in January, the highest monthly figure on record for the company, and with $192,278 in February, 1935. Mill heads in February averaged $15, as against $16.02 in January and $17.48 in February a year ago.

The mill handled 12,996 tons of ore last month, which compares with 13,156 tons in January, 1936, and 11,392 tons in February, 1935.

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STADACONA ROUYN
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Energetic underground development of the company's huge acreage in the vicinity of Pelletier Lake, Rouyn, has resulted in the decision to proceed at once with mill construction, for which all contracts are now completed. Production will be reached during the coming summer months, according to the present program, with 200-tons per diem as the first objective.

The opening of rich new ore sections on the 300 foot level creates vast new possibilities for this mine-in-the-making, already regarded as one of the most interesting future producers of the Rouyn field.

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FIGURES FOR THE LAST DECADE
(1926 - 1935)

PRODUCTION
LEAD 2,904,965,000 Pounds
ZINC 1,788,950,000 Pounds
COPPER 84,796,000 Pounds
GOLD 324,830 Ounces
SILVER 68,887,540 Ounces

Also
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EXPENDITURES
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Gold Steps into Breach To Raise B. C.'s Output 12 Per Cent in Value

Yellow Metal Tides Pacific Province Over Era of Low Base Metal Prices — Minerals Worth $47 Millions

From Our Own Correspondent

VANCOUVER.—Lode gold showed the biggest percentage gain in production in British Columbia last year, with lead second. Continued activity in the Bridge River district and in the Cariboo assures a further advance in lode output this year.

Gross value of minerals in British Columbia last year was $5,504,860, or 12.7 per cent ahead of 1934. The lode gold increase was 31.2 per cent. Placer gold increased in gross value 13.3 per cent; lead, 21 per cent; structural materials, 18.6 per cent; zinc, 4.2 per cent.

Reductions were shown in copper, coal and miscellaneous metals.

Gold Dominant Theme

Gold is, of course, the dominant theme in British Columbia's mining story these days and evidence of its ascendancy is shown by a comparison of the production in recent years. In 1929, for instance, British Columbia mined only $3,123,130 in gold. Last year the province's gold output was valued at $13,711,438.

Two Economic Eras

Since 1929, which marked the dividing line between two economic eras, a new chapter has been begun in British Columbia mining. When the province's mine production reached its zenith in 1929 with values totalling more than $68 millions, base metals were chiefly responsible. Value of copper, lead and zinc produced in 1929 was nearly $43 millions. In those days copper was being quoted at 18 cents a pound, lead at 5.05 cents and zinc at 5.38 cents. Last year British Columbia produced these base metals to the value of only about $21 millions, or less than half the 1929 figure. The reason for that lies in the fact that last year copper was quoted at 7.80 cents, lead at 3.15 and zinc at 3.12.

Gold stepped back on the stage in a stellar rôle when it was released from its pegged price at the old standard of $20.67 an ounce. Base metals dropped as gold increased, and in 1930 the mining industry sank to the depths of depression, for at that time gold had not had time to stage its full recovery.

Several mines were shut down, especially the small silver-lead-zinc producers in the Slocan and in the Portland Canal field. The big base metal producers bore most of the shock, however, while other mines turned their attention to gold. First in the Bridge River area, then in the Cariboo where lode gold mining came into its own at last, and in several other areas gold became the major factor and now, with gold still setting the pace, other metals are beginning to climb back.

Here are the official figures for mineral production in British Columbia last year, as compared with 1934:

REVISED ESTIMATES OF B. C. MINERAL OUTPUT, 1935-1934

Product:	Quantity 1934	Quantity 1935	Value 1934 $	Value 1935 $	1935 Increase (+) Decrease (—) %
	Ozs.				
Gold, placer	25,181	28,000	714,431	810,125	+13.3
Gold, lode	297,130	382,350	10,250,985	13,451,073	+31.2
Silver	8,572,916	8,704,000	4,068,792	5,547,059	+36.3
	Lbs.				
Copper	48,084,658	38,200,000	3,567,401	2,979,600	—16.4
Lead	347,366,967	324,000,000	8,461,859	10,206,000	+21.0
Zinc	247,926,844	252,000,000	7,546,893	7,862,400	+4.2
	Tons				
Coal	1,347,090	1,150,000	5,725,133	4,887,500	—14.6
Structural materials	....	....	1,017,141	1,206,400	+18.6
Misc. minerals & materials	....	....	952,662	857,000	—10.5
Total value			42,305,297	47,807,157	+12.7

ISLAND MOUNTAIN LOOMS AS MAJOR CARIBOO MINE

Pays Off Newmont Loan and Is Now Free of Debt

From Our Own Correspondent

VANCOUVER.—Island Mountain Mines Co. is shaping up as one of the big producers of the Cariboo country, and during 1935 the bullion marketed, on hand and in process of utilization, reached a value of $614,229, from which operating costs of $301,329 and interest charges of $9,435 were deducted, leaving profit before depreciation, depletion and taxes, at $303,464. Officials of the company expect that Island Mountain will soon become the district's second dividend payer. The mine is near Jack of Clubs Lake, adjacent to Cariboo Gold Quartz.

Established as a subsidiary of Newmont Mining Co., of New York, Island Mountain has paid off the balance of the loan from Newmont, leaving the company free of debt, with the exception of current accounts.

During the past year mineable shoots were disclosed in twelve distinct quartz veins which, included with previous development, makes a total of 21 separate and distinct ore bodies.

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Paid Up Capital .... $ 64,304.00
Surplus and Reserve 98,439.11
Net Worth, December 31, 1935 .... $162,743.11

Resources as at December 31, 1935

Securities on hand available for immediate delivery, calculated at Market Prices of December 31, 1935 .. $324,414.41
Sundry Assets, cash or equivalent 73,244.25
$397,658.66
Loans, Bank or New York 7,288.10
FREE BALANCE $390,370.56

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B.C. May Get '36 Dividends Via 15 Mines

Only Five Were Making Disbursements in 1934

OUTLOOK REVIEWED

From Our Own Correspondent

VANCOUVER. — Dividends will probably be paid by 15 companies operating in British Columbia this year.

When it is recalled that in 1934 only five mining companies were regularly paying dividends in this province the rapid advance of the industry toward economic stability is more easily recognized. Last year ten companies shared their profits with shareholders.

Among the big mines that will soon return to a dividend basis is **Bralorne Mines**, which temporarily discontinued payment of quarterly disbursements after March, 1935, following the strike at Bridge River. The company's liquid assets are now in excess of $1 million, and it is expected dividends will be made payable again this spring.

Unless **Sheep Creek Gold Mines** embarks on a costly new development programme, it will go on the dividend-paying list this year. The company has been accumulating cash steadily.

Dentonia Mines is holding $200,000 in the treasury for the financing of development, but future earnings are likely to be devoted to dividends, especially if the improvement in production now indicated is continued.

Kootenay Belle Gold Mines is also in a position to start sharing dividends, with a net profit of approximately $120,000 annually. The company has about 12,000 tons of broken ore on hand containing gross values of about $100,000 and net assets, after providing for all liabilities, would be more than $30,000. At the present rate, a dividend of ten per cent would require only three or four months' earnings. The 50-ton flotation mill is carrying all costs and showing a profit.

Island Mountain

Island Mountain Mines, Ltd., the Newmont subsidiary operating in the Barkerville district of Cariboo, will probably join its neighbor, **Cariboo Gold Quartz**, in the dividend column before the end of the year. The company has passed the period of greatest outlay and while it has still to accumulate its first $100,000 it has earned enough to retire indebtedness and production has been improving steadily.

With an abundance of money for expansion purposes secured as a result of selling a bond issue to Premier Gold Mining Co. for slightly more than $90,000, **Relief Arlington** has also completed its heaviest capital expenditures and should net a premium of $160,000 to $200,000 annually. A decision on dividends depends on whether the company first pays off its bonded indebtedness.

Policy of **Silbak Premier**, the result of consolidation of B. C. Silver and Premier interests in the Portland Canal area, is similarly in doubt, but some light on it may be thrown at the annual meeting to be held here shortly.

Dividends will soon be paid by **Kelowna Exploration Co.** according to present indications. This company is operating the Nickel Plate at Hedley and has a long period of profitable operation assured.

Including Consolidated Mining & Smelting Co. and Granby Consolidated Mining & Smelting Co., which made a capital distribution, a total of $9,231,689 was paid in dividends last year in British Columbia. Smelters paid out $4,235,738 and Granby $2,250,000. Other dividend payers were: Pioneer, $1,401,400; Premier, $650,000; Bralorne, $300,000; Reno, $255,682; Highland Lass, $52,363; Bell Mine, Ltd., $50,501; Beaverdell-Wellington, $36,000.

Smelters "Side Lines"

How Ingenuity and Knowledge at Trail and Tadanac Are Changing Obstacles Into Real Assets

The Consolidated Mining & Smelting Co. is doing dramatic things in western Canada in its Tadanac plant in converting apparently worthless waste rock and materials into cash. These various by-products have done much during periods of low lead and zinc prices toward aiding this company to show increasingly healthy profits. Apart, however, from the commercial aspect, these "side-lines" of Smelters reveal an interesting story of obstacles converted into assets.

A New Industry

In 1935, Smelters initiated a new industry, the commercial production of metallic sulphur. This is just one product from a sulphur dioxide recovery plant, or rather a series of plants, partly at metallurgical Tadanac, and partly at chemical Warfield. This series of plants cost about $2.5 millions.

The embarkation in the commercial sulphur field is probably the year's outstanding development, and is the final step in a long progressive evolution in dealing with the smelter gases.

Other highlights of the year include by far the greatest metal output in the history of the company, and a pay roll at Trail and Kimberly almost equalling the peak reached when the chemical fertilizer development at Warfield was being built.

Lead at Capacity

Production of electrolytic lead was practically at capacity throughout the year, running roughly about 475 tons of refined lead per day. This capacity is considerably above what it was two or three years ago, the operating efficiencies achieved from year to year pushing up the load without plant additions.

In the case of the zinc plant, capacity operation has never been maintained except for very brief periods, for the operation is strictly regulated according to atmospheric conditions, so as to secure efficient distribution of what gases are discharged into the air, an operating limitation that will no longer apply when the sulphur dioxide plant now being built enters production. But the zinc plant, like the lead smelter and refinery, made a new operating record.

It is probably a dozen years since the Consolidated started serious study of possibilities of utilizing the sulphur gas produced in great volume from its furnaces, and giving rise to assertions of "smoke damage" south of the border. As early as 1925 and 1926 the possibility of ammonia production was being given study, but it was not until the end of 1928 it was felt to be commercially practicable.

The experimental production of sulphuric acid from a 35-ton plant, followed by production of chemical fertilizers at Warfield, is now ancient history. These first sulphur dioxide recovery plants utilized, in the chemical fertilizer manufacture at Warfield, about 37 per cent of the sulphur that previously had been liberated in the air at Tadanac.

It is intended to recover in the sulphur dioxide plant a similar proportion of the sulphur dioxide going into the air, including all the remaining gas of this nature produced by the zinc plant's Wedge roasters.

Centred at "Tadanac"

Designing of the plants was begun last May, and most of them are now being erected, the absorption, purification and reduction processes being at Tadanac, and those relating to the ammonia end of course at Warfield, in connection with the original units. The plants will be in use about May or June next.

A cheap ammonia supply at Warfield enabled Smelters to work out the processes necessary for the further recovery of sulphur dioxide from lower grade gases than could be used commercially in the sulphuric acid plants. The plant now coming into being is the result of a great many years of research by the staff. The process was greatly simplified by the new roasting process of burning zinc concentrates in suspension, which also was developed by the company's staff and patented, the gas obtained in this way containing from 6 to 10 per cent of sulphur dioxide. instead of from 1 to 3 per cent, which the old roasting method yielded.

Besides making possible this concentration of an otherwise low grade gas, this process of burning zinc concentrates in suspension has to its credit the major accomplishment of reducing the cost of roasting to less than half that by the old methods, no fuel being needed, and the remodelled furnaces having over five times the daily capacity they had formerly.

When the production of metallic sulphur is in effect, it will no longer be necessary to hold down the zinc plant tonnage whenever the air is stagnant and smoke tends to hang at a low level. In fact this condition allows a sulphur dioxide concentration by air currents drifting to and fro. This illustrates the principle so often observed in the widespread operations of Smelters of making a development serve several purposes at once. In this case, the zinc plant gases will lose all their noxious character, a product of commercial value will be produced, and the zinc plant will be unleashed for any scale of production desired.

Cadmium, derived as a by-product from the zinc process, nearly doubled in production over 1934, while bismuth, recovered in the silver refinery, was not produced the past year. Gold production nearly doubled, though the silver increased in about the same proportion as the company's big base metals. Copper production, of negligible proportions for many years, shrunk to less than half that of 1934.

Fertilizer Demand Up

With the company's great fertilizer plant at Warfield, increased scale of operation seemed to be the general rule in 1935, in response to market demand, though this did not apply in every individual case.

The phosphate plant, which produces the basic product, from which most of the others are derived, had a longer run and turned out a greater tonnage than in any previous year. Ammonium phosphate increased in tonnage, finding an enlarged outlet on the Canadian prairie.

Increased phosphate production required of course an increased tonnage of sulphuric acid for treating the phosphate rock, and, following the process back, more sulphur was diverted from the Tadanac fume.

Capacity operation of the ammonia plant was continued throughout 1935 as in 1934.

In the case of the sulphate plant. the scale of operation was about the same as in 1934, the full capacity not having yet been used.

Big stocks are now in preparation for the spring markets on the prairie.

Construction and installation in connection with the big addition to the hydrogen plant, which is part of the ammonia group, is at an advanced stage, and the ammonia capacity will be increased 31 per cent, or to 85 tons of pure product per day.

The sulphate plant is also being extended, like the hydrogen plant, for a dual purpose, in connection with both the sulphur programme and the increase of ammonia capacity.

With the increased capacity of the ammonia plant, it will be possible to run the sulphate plant more nearly at capacity, as well as serve the purposes of the sulphur programme.

Yukon Won't Die

Famed Old Placer Area Has Biggest Year Since Klondyke Boom Days

From Our Own Correspondent

VANCOUVER. — Not since the early days of the Klondike boom has there been such activity in the Yukon goldfields as during the last few months, and spring will herald another banner year for the famous old producing region.

Not only the placer ground is being covered, but important developments are reported in connection with lode operations. During the winter there was little opportunity for mining, as there was a heavy snowfall and the ground was frozen solid, but advantage was taken of the enforced shutdown to overhaul machinery and get the camps in readiness for the spring work. Year-round operation of dredges in the Yukon is an objective of some of the mining outfits, but so far this has not yet been accomplished. When it is, the production of gold will be increased immeasurably.

Treadwell Yukon Mill

The Carmacks gold field as well as the Mayo silver-lead producers are attracting considerable attention just now. Treadwell-Yukon Co. is building a new mill of 150 tons capacity at Galena Hill, and is reported to be planning resumption of operations at the Keno Hill mill. The mill will handle some of the ore from adjoining properties of Keno Hill, Ltd., Guggenheim subsidiary.

Under the supervision of Major R. E. Franklin, of San Francisco, there has been a complete reorganization of Yukon Consolidated Gold Mining Company.

The Laforma group is under bond again, and plans are under way for their development. The Mount Free Gold area is also active and interesting developments are looked for in that section in the spring. Emil Forest, one of the original partners in the interested group under the Timmins management, will again be in charge, and considerable surface prospecting will be done. A tunnel will also be driven to tap the objective at depth, vertically down from the surface outcrop.

Alaska Weekly reports that Lucky Strike claim, owned by John Carlson and A. R. Hayes, has been bought for $30,000

MINTO FINANCING FOR EXPLORATION AT GREATER DEPTH

Recovery Plant Improved in Its Efficiency by Additions

From Our Own Correspondent

VANCOUER.—Minto Gold Mines is proceeding with a new programme designed to open the ore at greater depth, and additional financing is being done to accomplish this. The company has secured permission to sell 300,000 treasury shares at nine cents for the first 100,000; eleven cents for the second 100,000; and 13 cents for the third 100,000 shares, subject to one cent commission in each case. Should a higher price be secured all of the surplus over the stated price will go to the company except one cent commission. The first 100,000 shares have already been placed, according to John A. Hallberg, who is handling the sale.

Minto recently encountered ore running 1.5 ounces per ton in the River level tunnel and the company has shipped equipment to provide a hoist to the property. Ore will then be shipped direct to the mill. Since two additional cells were installed at the recovery plant the first carload of concentrates gave a net return of $5,000 as compared with $3,500 previously, so much better results are expected in the future. Four or five cars have been going to the plant monthly, and while millheads are steadily improving, earnings will be required for payment of outstanding debts for several months.

Highland Lass, Bell Mines: Two Silver Groups Merge

From Our Own Correspondent

VANCOUVER. — Highland Lass silver-lead producer and Bell Mines, silver producer, may consolidate their interests in the Beaverdell district as a result of a meeting representing directors of both outfits recently.

Chief argument in favor of consolidation to be placed before shareholders soon is that it would make possible continuous shipment of ore. Bell shipped 1,800 tons last year, Highland Lass 1,200 tons.

Highland Lass is working in high grade now, and Bell is still working in the upper levels.

Bell was acquired some time ago from the late Duncan McIntosh and Patrick Crane for $200,000 by R. P. Staples, of Kelowna and Frank Staples of Creston and associates. The mine has operated steadily and produced $350,000 in dividend to the new shareholders.

Penticton and Kelowna interests bought the Highland Lass from D. McIntyre, who in turn had made the purchase from John Bell and Mrs. Hallett, of Greenwood.

The Mineral Industry of British Columbia

The value of mine production for the year 1935 is estimated at $47,810,612.00; being a substantial increase over that for the year 1934. Gold and silver account for nearly 84% of the increased value of the mining industry.

For authoritative information regarding the mining industry of British Columbia apply to the Department of Mines, Victoria, B.C.

Among the more recent publications available are the following:

Annual Report of the Minister of Mines for the calendar year 1934.

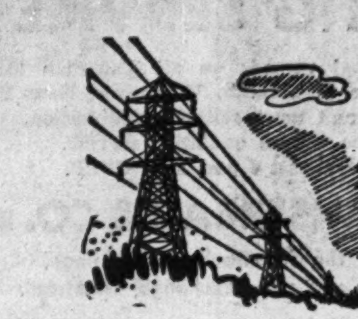
Bulletin — "British Columbia the Mineral Industry" (included in this bulletin is a synopsis of the various mining laws of the Province; also information regarding placer-mining).

Elementary Geology as applied to Prospecting (a course of lectures).

Sketch-map of British Columbia showing Mining Divisions, etc.

DEPARTMENT of MINES, Victoria, B.C.

HONOURABLE GEORGE S. PEARSON
Minister of Mines.



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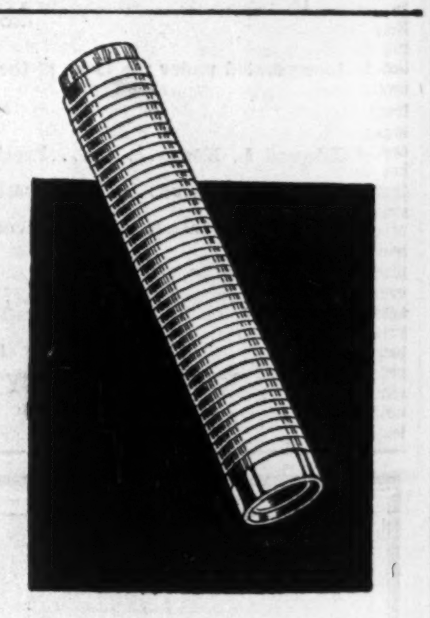

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Nicola Gold Mines Operating Profitably

Nicola Gold Mines, since the elimination of the Erdofy group of New York from stock selling control, has been operated on a profitable basis and is handling 55 tons of ore daily, and shipments of concentrates are being made under contract to British Metals Corporation, England. The personal guarantee of two directors, Peter Bancroft and Nels Nelson, were not required in full to get operations under way last fall, and earnings after 10 per cent royalty under purchase agreement are covering all development expense and gradually building up cash surplus. The Tubal Cain vein has been picked up in a crosscut from Enterprise workings, making available to the mill a large block of commercial ore. When the reserves in the Tubal Cain vein are proved, the mill will be stepped up, eventually to 100 tons daily. The agreement with British Metals Corporation assures the Nicola company of $10 to $12 additional return per ton of concentrates, and the company will be paid for copper as well as gold, silver and lead content.

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What's Holding B. C.?

Lack of Proper Publicity or too Stringent Blue Sky Legislation?

By CHARLES SHAW

VANCOUVER.—Deeply stirred by disclosures of fraudulent financing of mines in British Columbia and determined to prevent the recurrence of the conditions revealed, the provincial legislature five years ago followed the lead of Ontario and Alberta and placed on the statute books a Securities Act far more drastic than any similar measure previously devised. The government, wholeheartedly supported by the legislature and the mining public, was frankly seeking a means of restoring the good name of British Columbia in the mining markets of the world and of protecting the rights of investors.

Since then hardly a single new mine of major importance has been developed in the province, and mining men are beginning to wonder why. They are asking whether the Securities Act may have gone perhaps just a little too far by discouraging legitimate investment of funds in legitimate properties. They are asking, too, whether the government has failed to provide the necessary inducement for prospectors to go out and discover new mines.

Premier the Main Spark

Fifteen years ago it was the **Premier Gold Mining Co.** with its amazing dividend record that set the western mining world afire and centred attention on the Portland Canal area, while the **Consolidated Mining & Smelting Co.** at its huge Trail plants continued to perform wonders with the refractory ores of the great Sullivan mine. Seven years ago Bridge River began to come into its own, and rising production of gold at Pioneer and Bralorne, spurred by the advancing price of the yellow metal, created another big British Columbia camp. Five years ago, the relentless experimenting of Fred Wells in the Cariboo hills back of Barkerville proved that the quartz veins of the famous old placer area could be profitably worked. More recently, the introduction of the Australian system in checking slime, or "slum" as it is known in the Cariboo, promised a new era of expansion for creeks that had been all but abandoned years ago. But these latter two developments hardly represent the discovery and building-up of a new field.

The fact remains that, with minor exceptions, no really big, new mining shows have been brought to the fore in recent years. Instead, the province has had to face the inevitable fact that at least two of its great revenue-producers of other years have definitely passed into a period of greatly curtailed output if not complete oblivion. Granby Consolidated Mining & Smelting Co.'s big Anyox mine, which produced in its lifetime a billion pounds of copper, nearly a million ounces of gold and nearly 15 million ounces of silver, has been permanently shut down. Premier, the "wonder mine" of a decade ago, shows definite signs of early depletion, necessitating that the company place increasing reliance on subsidiaries in other areas.

Opinion Divided

Whether or not the Securities Act or any piece of provincial legislation is solely or partly responsible for the dearth of new mining development in British Columbia is a matter likely to be given earnest and extended consideration of the legislature during its present session. But it is too early definitely to place the blame on this legislation.

For every one person who holds provincial legislation responsible for the lethargic state of mining there is another who will argue that the present form of control is vastly better than the period of comparatively unrestricted promotion when money was pouring into new mining concerns with boom and booster confidence, most of it to line the pockets of glib salesmen or vanish into the thin air of market deflation when the ultimate crash arrived.

Critics of the present administration have been unable to point to a single legitimate mining enterprise that was hampered by the Securities Act in getting on its feet. The Securities Act did not stand in the way of any reasonable promotion that followed in the wake of the Bridge River excitement and the Cariboo's rebirth, and last year 60 new mining companies were incorporated in British Columbia.

Defenders of British Columbia's legislation point out it is no more stringent than Ontario's, especially in respect to escrowing of vendor and promotion shares, and they will give you names and dates to show that the law has been effectively evoked to curb unscrupulous manipulators whose only interest in mines lay in figuring out stratagems to separate "investors" from their money in a minimum of time. Several high-pressure stock promoters, some of them from the United States and some eagerly acquisitive "home boys," have been heavily penalized in recent years for acts which in the free-and-easy pre-Securities Act days would probably have been allowed to pass undetected and unpunished.

Obviously the present law is not perfect, and there are some authorities who argue that the Martin Act of New York, which defines clearly what the promoters may not do and sets a list of penalties without providing somewhat unwieldy enforcement machinery, would be an improvement on the B. C. statute. This angle may be discussed by the Legislature this spring.

Exchange's Part

From time to time criticism has been levelled against the Vancouver Stock Exchange, the charge being that it has retarded mining development by countenancing unethical conduct by brokers. However, the Stock Exchange has not hesitated to discipline its members. The Exchange may have stretched a point occasionally in listing a new stock, but such a practice could hardly be described as restrictive. Hedley M. Smith, new president of the Exchange, declares that the institution, operating strictly under provincial by-laws, is committed to a policy of encouraging investment and protecting the public. Mr. Smith, incidentally, believes that the Securities Act provides the necessary instrument to bring about effective co-operation between government agencies and the brokers and mining industry to safeguard the interests of all.

Probably one very good reason for whatever hesitancy there may be on the part of the mine stock-buying public at present is the fact that industrial shares in eastern Canada and the United States have been absorbing a greater amount of speculative capital than formerly.

Prospectors' Chances Bright

So far as the opportunities of prospectors are concerned, the provincial government maintains that nowhere else in Canada has the prospector a better chance. The government provides a staff of resident mining engineers to report on properties and give expert assistance. These engineers are instructed to examine claims put forth in company prospectuses and to report misleading statements. Twenty-four companies were ordered to withdraw statements last year, indicating a close supervision. The government has provided facilities for purchasing placer gold, establishing training camps for placer miners and a microscopic laboratory to carry out research work on ores.

Unfortunately, some of the mine promotions that proved most disastrous were those extensively backed by capital from the British Isles and the eastern provinces and states, precisely the areas where British Columbia must look for most of her financial support in future. Those British and eastern speculators, once trimmed, are extremely wary of B. C. mining shares and the word they have passed along to their friends concerning B. C. stocks is probably not designed to stimulate a lively interest in them.

Needs Favorable Publicity

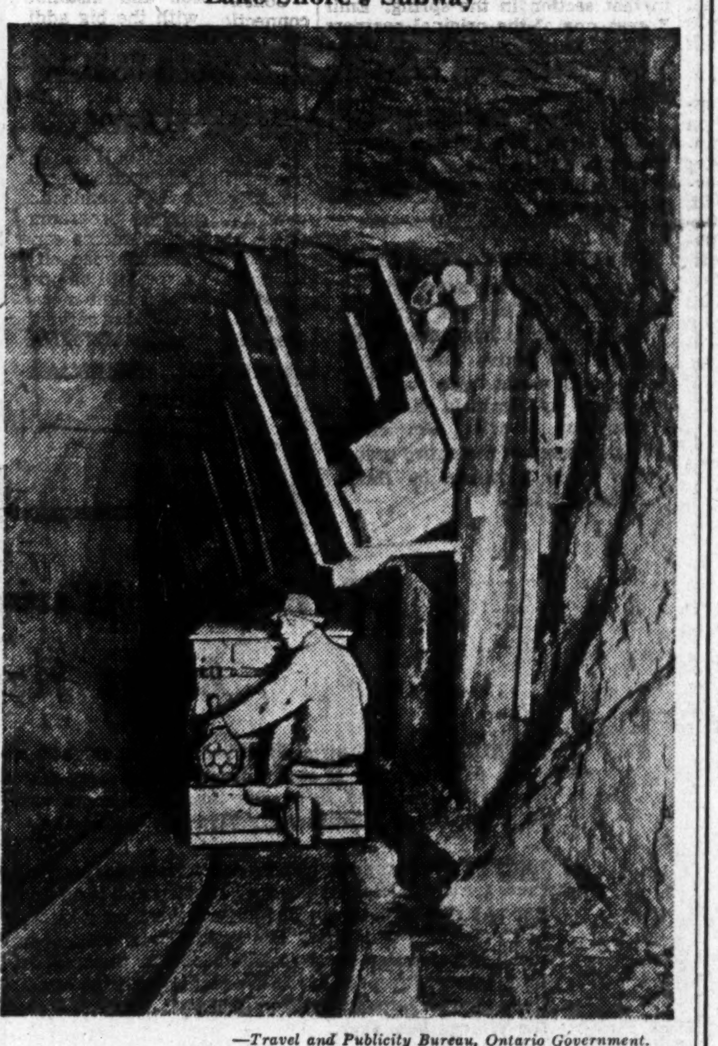
What British Columbia needs most today, in the opinion of those who have followed the subject closely for years, is favorable publicity intelligently applied in places where it can do the maximum good. The writer recently talked to a mining man recently returned from London—a man whose business has been largely associated with the enlistment of British capital for Canadian enterprises.

"It is a deplorable fact that, by and large, the only investment news that has reached Britain from Canada for months is distinctly bearish," he said. "Many investors had an uncomfortable experience with certain mining promotions. And then came the Ontario hydro contract cancellations and the McGeer talk of debt repudiation and the Social Credit experiment in Alberta. The effect of all that was to divert to South Africa whatever funds might have come into British Columbia mines. The English investor knows the South African situation thoroughly, because South Africans have made it their business to keep the English investor informed—of the good news as well as of the bad. And in South Africa the English investor has learned that his money is reasonably safe.

"What B. C. mining needs is widespread dissemination of the knowledge that the province has a workable blue sky law and, most important of all, that many of her mines are producing handsome dividends. The mining companies should send their own men to the investors and they should be men who know what they are talking about, and strenuous efforts should be made to induce British investment syndicates to send, in turn, their own engineers to inspect the field. That has been done in a few cases, invariably with success. It is the personal contact that establishes the vital link between mine operator and investor, and B. C. needs more of it.

"If investors the world over knew the amazing story of Premier, Sullivan, Pioneer, and a few other camps, B. C. mining would not languish for lack of capital."

Lake Shore's Subway



—Travel and Publicity Bureau, Ontario Government.

The underground electric railway systems in Canada's mines would, in efficiency of operation, if not in luxuriousness, compare favorably with metropolitan lines. Above is seen one of these trains hauling ore from the stopes on the 800-ft. level at Lake Shore, Kirkland Lake.

Current Chatter from B. C.

From Our Own Correspondent

VANCOUVER.—A new ore shoot of considerable promise has been revealed in a hitherto unexplored section of the Meridian mine in the Lardeau district. The first channel samples showed spectacular values in one case, running 19.02 ounces across three feet. This is much the highest assay so far reported at the mine. Cold weather compelled shutdown of operations for several weeks after February 11.

* * *

Fairview Negotiating

Fairview Amalgamated Gold Mines is negotiating with other financial interests following the lapsing of a share agreement awarded to British investors last October, and meanwhile no work is being done at the mine, reports Thomas Fraser, president and managing director.

* * *

Grull-Wihksne in Bayonne

Directors of Grull-Wihksne Gold Mines, have decided to invest their funds in development of the Bayonne mine in the Nelson district as a result of a report by Dr. Victor Dolmage that the property was ready for establishment of a mill. The mill, of at least 50 tons capacity, will be installed by October 1. Under the new deal between Grull-Wihksne and Bayonne Consolidated Gold Mines, W. C. Ditmars becomes president of both companies. Others on the board are W. L. Macken, A. J. B. Fell, J. C. McPherson, R. W. Bruhn, A. C. Frost Sr. and A. C. Frost Jr.

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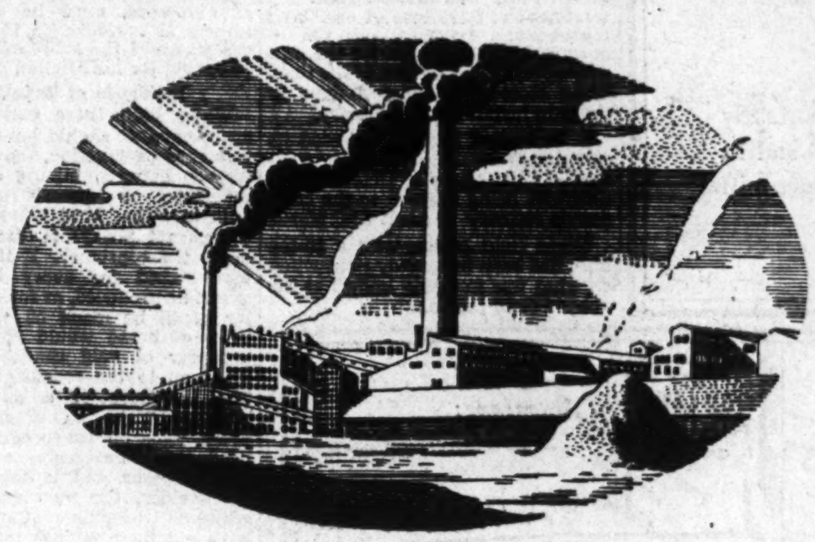

INTERNATIONAL NICKEL COMPANY OF CANADA, LTD. is one of the leading mining companies in Central Canada who are using "Dominion" Nova Scotia Coal with complete satisfaction.

"Meets our needs perfectly," says International Nickel

"We have found 'DOMINION' Nova Scotia Coal perfectly satisfactory for our requirements," states Mr. R. L. Beattie, general assistant to the general manager of The International Nickel Company of Canada Limited, who use the coal at their big mines at Copper Cliff, Ontario.

Many of the largest mining companies in Central Canada, like many of the foremost manufacturing industries, are finding this Canadian coal gives excellent results, and are using it where previously they had used imported bituminous.

"DOMINION" Nova Scotia Coal is a high grade, full-bituminous coal with low ash and moisture content, and has successfully met technical and practical tests by engineers for heating and steam raising, when used with the proper type of equipment.

Moreover, industrialists in Central Canada are glad to use this Maritime coal because it is Canadian, and because it strengthens an important market for their own products in a province which depends primarily upon coal mining for its prosperity.

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NOVA SCOTIA COAL**

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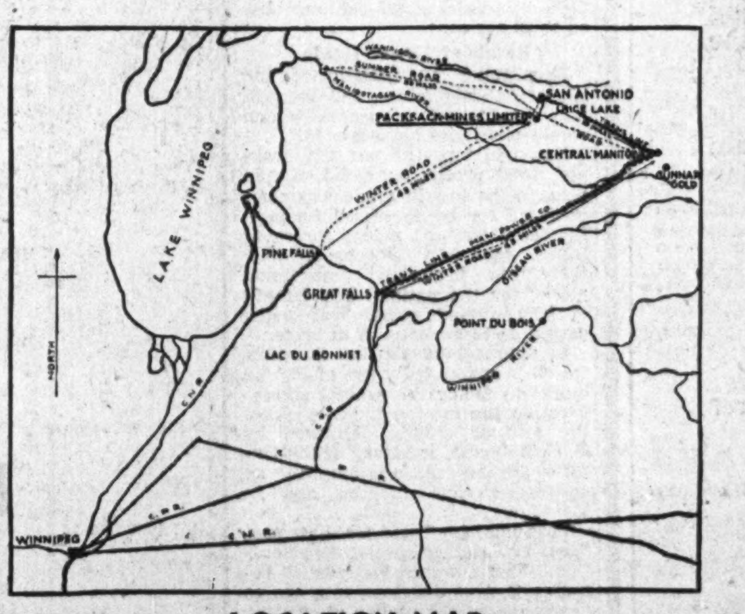
MINES AT GLACE BAY, SYDNEY MINES AND SPRINGHILL, N. S.

PACKSACK MINES LIMITED
(No Personal Liability)



LOCATION MAP

The property of Packsack Mines Limited is ideally located, near the town of Bissett, Manitoba, within half a mile of a summer freighting road. Ample hydro-electric power is available at reasonable low cost about two miles distant. For economical operation, Packsack is splendidly situated as regards transportation and power. The purchase of a sinking plant has been recommended by the engineer-in-charge and Dr. J. F. Wright, geologist.

In addition to the deposits specifically referred to in the Annual Report, there are at least three other well defined long veins of good width.

Copies of the first annual report with supplementary statement to February 15th, 1936, will be sent on request.

OFFICERS
President..........H. R. Drummond-Hay
Vice-President..............R. R. Collard
Secretary-Treasurer........C. C. Heubach

DIRECTORS
H. R. Drummond-Hay..Winnipeg
R. R. Collard..........Winnipeg
R. D. Law................Beeton
W. D. Shaw..........Winnipeg
D. A. Thompson........Winnipeg
H. G. Tucker..........Winnipeg

GEOLOGIST
Dr. J. F. Wright

ENGINEER-IN-CHARGE
Llewellyn Chamberlin, B.Sc., E.M.

Head Office—Hamilton Building—395 Main Street, Winnipeg

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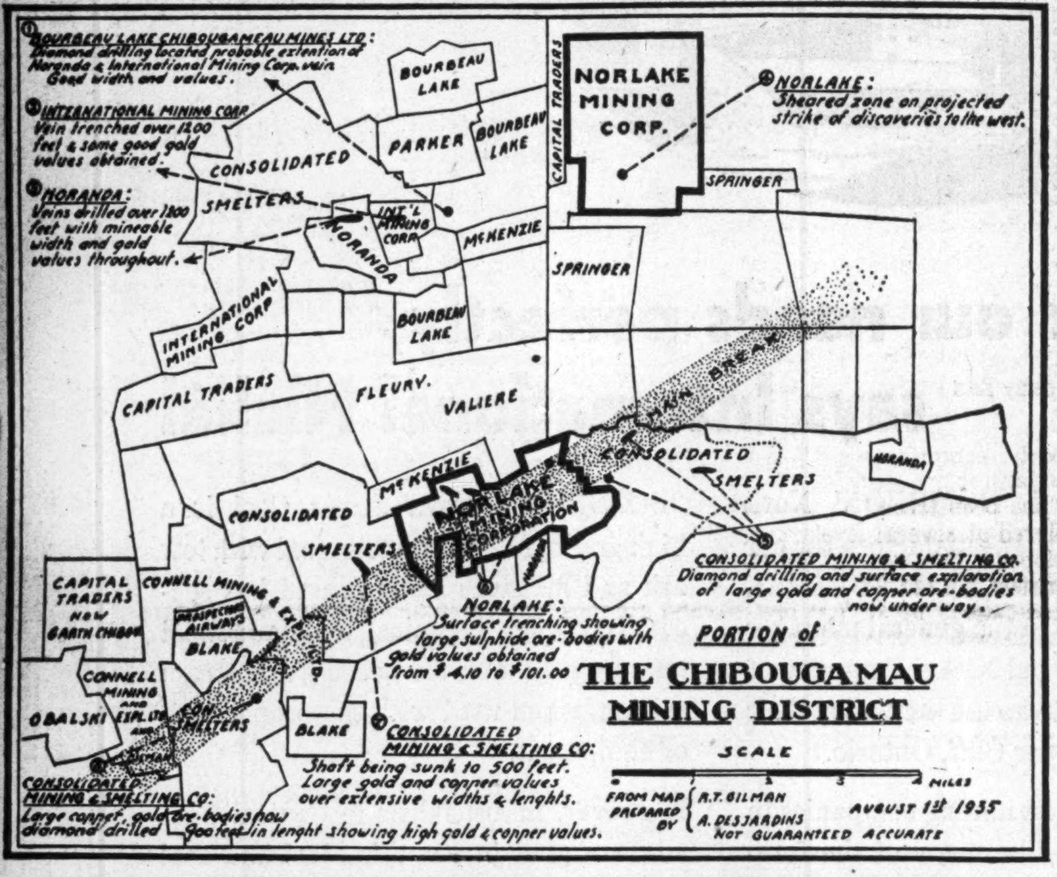
ARNTFIELD GOLD
MINES LIMITED
No Personal Liability

Current developments are adding importantly to already substantial ore measures—and in so doing are paving the way for future mill expansion and enlarged production.


① BOURBEAU LAKE CHIBOUGAMAU MINES LTD: Diamond drilling located probable extention of Noranda & International Mining Corp. vein Good width and values.
② INTERNATIONAL MINING CORP. Vein trenched over 1200 feet & some good gold values obtained.
③ NORANDA: Veins drilled over 1200 feet with mineable width and gold values throughout.
④ NORLAKE: Sheared zone on projected strike of discoveries to the west.
NORLAKE MINING CORP.
BOURBEAU LAKE
PARKER
CONSOLIDATED
SMELTERS
INT'L MINING CORP.
NORANDA
McKENZIE
CAPITAL TRADERS
SPRINGER
INTERNATIONAL MINING CORP
FLEURY.
VALIERE
MAIN BREAK
NORLAKE MINING CORPORATION
CONSOLIDATED MINING & SMELTING CO. Diamond drilling and surface exploration of large gold and copper ore-bodies now under way.
NORLAKE: Surface trenching showing large sulphide ore-bodies with gold values obtained from $4.10 to $101.00
CAPITAL TRADERS NOW EARTH CHIBOU
CONNELL MINING & EXPL. LTD.
PROSPECTORS AIRWAYS
BLAKE
OBALSKI
CONSOLIDATED MINING & SMELTING CO: Shaft being sunk to 500 feet. Large gold and copper values over extensive widths & lenghts.
CONSOLIDATED MINING & SMELTING CO: Large copper, gold ore-bodies now diamond drilled 900 feet in lenght showing high gold & copper values.
PORTION of THE CHIBOUGAMAU MINING DISTRICT
SCALE 0 1 2 3 4 MILES
FROM MAP PREPARED BY R.T. GILMAN A. DESJARDINS NOT GUARANTEED ACCURATE
AUGUST 1st 1935

NORLAKE'S PROPERTIES at CHIBOUGAMAU

DORE PROPERTY: The lower of the two properties shown above is the property at Lake Doré which, in consideration of a half interest, is being developed by American Smelting & Refining Corporation interests (Premier Gold Mining Company Limited).

A quartz vein six to twelve feet wide carrying gold values of $8.00 a ton and better, and other mineralized zones have been located. Two diamond drills are at work.

BOURBEAU PROPERTY: Norlake alone is interested in this property. To the west Noranda is preparing to sink a shaft. The neighboring property marked "Capital Traders" is being geophysically surveyed. Norlake will follow the same programme on this property as it did at Doré, i.e., geophysical survey; surface work; and then diamond drilling. A crew has been working on this property since Premier took over work on the Doré property, the 15th of February.

NORLAKE MINING CORPORATION
(No Personal Liability)

President, CHARLES A. GALL, New York.
Vice-President, FREDERICK G. TODD, Montreal.
Vice-President, HAROLD E. WALKER, Montreal.
Secretary-Treasurer, JAMES R. WALKER, Montreal.

HEAD OFFICE: 1410 STANLEY STREET, MONTREAL

PAYMASTER CONSOLIDATED
(No Personal Liability) MINES, LIMITED

PROPERTIES

The Company's principal group consisting of approximately 600 acres lies between two dividend-paying gold mines — Dome Mines, Limited, on the northeast, and Buffalo-Ankerite Gold Mines, Limited, on the southwest. This group is equipped with extensive mining and milling plants, including six shafts. Mining operations are now being conducted in Shafts Nos. 5 and 6, and the Company has been in regular production since October, 1934.

The Company also owns approximately 1,000 acres, part of which immediately adjoins and the balance in the immediate vicinity of the PAMOUR GOLD MINES, LIMITED. Other mining properties held by this Company bring the total up to well over 2,000 acres.

DIRECTORS
A. S. FULLER, President
E. H. WALKER, Vice-President and Managing Director
JOSEPH ERRINGTON E. L. O'REILLY, Secretary-Treasurer
MAJ.-GEN. E. M. HOGARTH C. J. O'BRIEN
A. W. HODGETTS, Asst. Sec.-Treas.
CHARLES E. COOK, General Manager
A. E. PUGSLEY, Mine Superintendent
B. G. ROBINSON, Mill Superintendent
E. G. BISHOP, Ph.D., Geologist

Head Office: South Porcupine, Ontario
Executive Offices: 204 McKinnon Building, Toronto
The Company's Shares are listed on the Toronto Stock Exchange

ACTIVITY GROWS AT MICHIPICOTEN 3 NEW PRODUCERS

Parkhill Remains Leading Mine of Veteran District

One of the reasons why production from the northwestern part of the province showed such remarkable gains in 1935 was the revival staged by the veteran gold camp of Michipicoten.

With three new producers added to the list in the past year, this camp, one of the first in Ontario, is now seeing more activity than it has for a good many years.

Darwin Gold Mines, which started production in November, 1935, is now handling about 60 tons of ore per day.

The new main shaft is, at the time of writing, rapidly approaching its objective of 800 ft. Crosscutting on the 600-ft. level recently intersected the main vein about 15 ft. south of the shaft.

Parkhill Gold Mines, the oldest producer in the area, having started production in July, 1931, continues to be the most important on the basis of production value. For the first quarter of the company's year, ended Dec. 31, 1935, total recovery at the mine was $75,550, from the treatment of 5,290 tons of ore. This represents a recovery per ton of about $14.28. In this period the mill only operated 88 per cent of the time, being closed down for 8 days in order to install new machinery.

L. B. United Mines completed its 50-ton mill on the proeprty of Centennial Gold Mines in October, concentrates being shipped to the company's refinery at Sault Ste. Marie.

Minto Gold Mines, with a 90-ton mill, has been in steaady production on what was formerly known as the Copper Gold Mines.

Anybody Wanting To Buy Gold Mine?

A novel method of mine finance is revealed in an advertisement appearing in a western paper recently.

Under the heading "Gold Mine for Sale," the advertisement calls for tenders on the Pre-Cambrian Gold Mines near Ewing's Landing, Okanagan Lake, British Columbia.

The advertisement urges would-be gold mine owners to enclose tenders in sealed envelopes "marked on the outside 'tender on Pre-Cambrian Gold Mines.'"

MINING VS. TAXATION

(Continued from page 17)

other words, the metal industry is entirely speculative in its early stages, and, in its later stages, is largely speculative. All money invested in a prospect is speculative money to a very high degree, and in order to attract capital the rewards of successful ventures must be large.

Secondly, every car manufactured does not impair the fixed assets of the manufacturer. The manufacturing plant is subject only to depreciation. The fixed assets of a mining company consist chiefly of ore, and every ton of ore removed from underground reduces this asset by that amount. In other words, a mine is a wasting asset. Returns, in the form of dividends, must be considered largely as a return on the original capital, until the shareholder is reimbursed for his original outlay.

Incidence of Taxation

While both these major differences have, or should have, a direct influence on taxation, the third difference between mining and other industries is directly connected with taxation. Most taxes are, to a degree not always realized, passed on to the consumer. If the farmer were taxed for every bushel of wheat he produced, or for every dollar profit he made on wheat, the price of bread would go up. The producer of gold cannot pass his taxes on to the consumer of gold. The incidence of a mining tax, whether it be on production or profit, falls on the producer. The producer is not some coupon-clipping Croesus, but is the common shareholder, the men and women scattered throughout Canada who have put their savings into the development of an industry which is one of the most important in Canada.

In all these ways the mining industry is in a class by itself when it comes to taxation.

Purchasing Power

There is another angle to the question. In this, and other issues, The Financial Post has tried to illustrate what the industry, which last year produced $308 millions in new wealth, means to the nation in the way of purchasing power.

It is obvious that this tremendous purchasing power is the result of venturesome capital. Venturesome capital cannot be obtained unless it is sure that the dice are not loaded against it. A tax on production, an unstable tax policy, or a tax policy which ignores the three facts mentioned above, is the equivalent of using loaded dice against the mining industry, an industry which has shown its importance in the national scheme of things.

Can mining capital feel otherwise, when, as in 1935, about 40 per cent of the true net profits is taken by the taxing authorities?

The mining industry has shown itself to be a constructive industry. It is a constructive industry in purchasing power it releases. It is constructive, in that it is not competitive. When a new mine starts producing, it does not hamper the activities of any other mine. Jobs are created, 100 per cent, and no other concern is thrown out of business because it is contributing to the national wealth.

Margin of Profit

By nature of the hazard involved it is also an industry which can easily be stifled by short-sighted taxation policies.

In one regard it resembles every other industry, and that is that it operates on a margin of profit. This margin was materially enhanced by the increase in the price of gold. When the world price of gold climbed to $35 per ounce, many thousands of tons of rock in Canada, as elsewhere, became ore. While a policy of "making hay while the sun shines" might have been adopted by Canadian mines, a longer view of this situation was taken, and instead of reaping huge profits from the higher grade ore, most Canadian mines started treating a grade of ore which was so low that it would not have been commercial at $20.67 per ounce gold. This is shown by the records of seven Ontario dividend-paying mines, between 1931 and 1934 inclusive. While there was an increase of about 25 per cent in the tonnage treated, there was a decrease in the number of ounces produced. There was, in addition, a decrease of about 20 per cent in the grade of ore treated. Taking all Ontario gold mines for the same period, the decrease in grade during these first years of $35 gold amounted to 22 per cent.

Result of Lower Grade

This policy has lengthened the life of existing mines, and brought into production properties which would otherwise have lain idle.

But, while profits per ton dropped, total profits increased, simply because the loss in grade was compensated for by increased tonnage. Increased tonnage means increased labor, increased purchases and, therefore, increased purchasing power for the nation. The benefit of higher gold prices was being passed on to the country at large.

In approaching the tax question, which is undoubtedly one of the big questions facing the present administration the mining industry takes the attitude crisply described by G. C. Bateman, secretary of the Ontario Mining Association, in an address a few months ago in Vancouver.

"The industry," said Mr. Bateman, "does not ask for special consideration. What it wants, and what it requires if new developments are to keep pace with depletion of existing mines, is fair treatment, no discrimination, reasonable taxation, and stability in government policies. Given these things it will work out its own destiny and will continue to create new opportunities for capital, new sources of employment and new markets for supplies."

International Mining Corporation

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Note—The subscription books of this issue positively close on March 24. Any remaining unsold portion will be purchased for private account.

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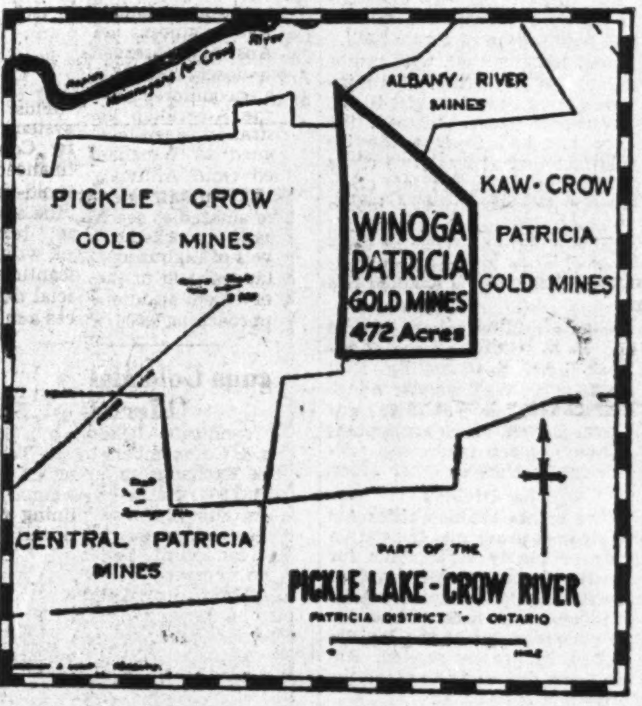
(No Personal Liability)

Head Office Bain Building
304 Bay Street
Toronto

Mine Office
Pickle-Crow Ontario
Via Hudson, Ont.

PROPERTY—The property controlled by Winoga Patricia Gold Mines Limited, consists of approximately 470 acres adjoining the properties of Pickle Crow Gold Mines Limited for one mile on the east and the properties of Kaw-Crow Patricia Gold Mines Limited on the west, northwest and south and the property of Albany River Gold Mines Limited on the northwest. The Winoga property is on the line of strike of the main Pickle Crow vein for five-eighths of a mile.

DEVELOPMENT CAMPAIGN—A contract for 5,000 feet of diamond drilling has been let and drilling is now proceeding under the active direction of H. L. Edwards, who was appointed by Reginald E. Hore, managing director. An electrical survey of the entire property is to be made by Hans Lundburg, Inc.


ALBANY RIVER MINES
PICKLE CROW GOLD MINES
WINOGA PATRICIA GOLD MINES 472 Acres
KAW-CROW PATRICIA GOLD MINES
CENTRAL PATRICIA MINES
PART OF THE PICKLE LAKE-CROW RIVER
PATRICIA DISTRICT - ONTARIO

Capitalization
Authorized - 3,000,000 shs. of a par value of $1 each
Issued - 2,000,000 shs. (Including this issue)
Remaining in Treasury 1,000,000 shs.

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President and Managing Director: Reginald E. Hore
Secretary-Treasurer: Corporation Management & Executives, Limited
David Gross - - Kitchener
G. M. Fleming - - Toronto
Dana H. Porter - - Toronto
D. A. Chadwick - - Toronto
Counsel: Fennell, Porter & Davis, Toronto
Registrar and Transfer Agent: Chartered Trust & Executor Company
Auditors: George A. Touche & Company

Purchase Winoga Patricia Now

Eight Reasons Why

1 BECAUSE Pickle Crow and Central Patricia mines have given definite proof of rich substantial and deep-seated ore bodies, reflected in profits through a share value enhancement of approximately $17,500,000 since 1934.

2 BECAUSE the property of Winoga Patricia adjoins Pickle Crow for one mile on its eastern boundary and is on direct line of strike of the main Pickle Crow vein for a distance of five-eighths of a mile. The Pickle Crow vein, it was recently announced, has been intersected by diamond drill three hundred feet farther to the east beyond the easterly limit of underground drifting, and that much nearer to the Winoga boundary.

3 BECAUSE the Crow River Schist Zone, in which are located the main ore bodies of the Pickle Crow and Central Patricia Mines, embraces the Winoga property.

4 BECAUSE it has been demonstrated that two major ore bodies exist four miles apart in this zone, showing the range of ore deposition, while a third and parallel ore body is found one mile to the south in the Springer Vein of Central Patricia.

5 BECAUSE Mr. Hore has stated that while it is not probable that an unbroken stretch of ore will be found for the length of the zone he does believe that further important ore bodies remain to be found in favourable places yet to be developed along the Crow River Zone.

6 BECAUSE we know that Mr. Hore has made a close and constant study of the field from its early days to its most important development period. He predicted in 1929 that both Pickle Crow and Central Patricia would make mines; recommended to us the financing of mill construction on Pickle Crow in 1934 and regards the Pickle Lake-Crow River area as a field that will yield many millions over a long period of years.

7 BECAUSE operators now entering the field have the advantage of the facilities established by the pioneer operations which have inaugurated power and transportation services and surveyed the field as to future railway and power requirements.

8 BECAUSE we have underwritten sufficient of the treasury stock of Winoga Patricia to provide a substantial exploration and development fund with adequate stock remaining in treasury to carry on mine development as and when warranted.

Price 35c a Share

Underwritten by Mines Development Division of

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HAMILTON LONDON TORONTO KINGSTON BRANTFORD
Quebec Correspondent: H. R. BAIN & CO., Limited — — — 437 St. James St. West, Montreal
Buffalo Correspondent: H. R. BAIN & CO. INC., 778 Main St.
Philadelphia Correspondent: JULIAN H. FERGUSON INC., 1411 Walnut St.

While we do not guarantee the statements contained herein, we have secured them from sources which we believe to be reliable.

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Please signify ☐ I am enclosing cheque for $....................to cover purchase
☐ Send stock with draft attached to ....
☐ Please send me further information on Winoga Patricia Gold Mines and map of the Pickle Crow area.
SIGNED ....
ADDRESS ....
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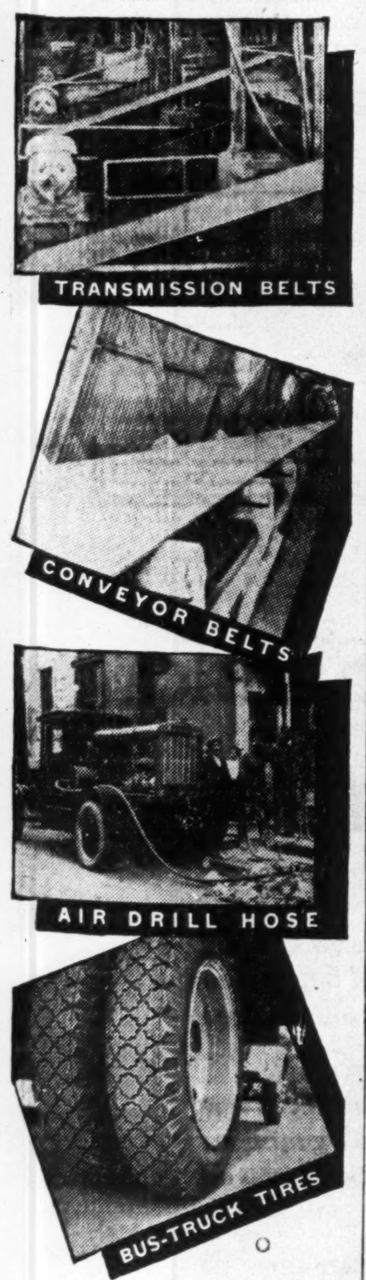

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C.I.M.M. PLANNING VARIED PROGRAM AT OTTAWA MEET

Interesting Papers and Social Events on Schedule

A programme of more than usual interest has been planned for the annual meeting of the Canadian Institute of Mining & Metallurgy, to be held at Ottawa March 17 to 19.

A tentative draft of the activities planned for the meeting, at which mining men from all over Canada will be present, follows:

March 17

9.30 a.m. **Inaugural Session**—Institute business.

"The mineral industry in 1935," W. H. Losee.

"Ten Years of Progress in Ontario," D. G. Sinclair.

1.00 p.m. **Luncheon** sponsored by Ottawa branch, C.I.M.M.

(Ladies and Gentlemen).

Addresses of welcome. Responses.

2.30 p.m. **Technical Session**

Review for Ontario, A. C. Young.

"Lake Shore Geology," W. T. Robson.

"Lake Shore Mine" L. S. Weldon.

"The Lake Shore Mill."

"Quantitative Analysis of Mine Dust," T. L. Walker.

Industrial Minerals

"Production of Salt," R. Rowatt.

"Common Salt in Highway Construction and Maintenance," C. A. Robbins.

8.30 p.m. **Annual Smoker**

March 18

9.30 a.m. **Technical Session**—

"Review for Quebec," A. O. Dufresne.

"Review for British Columbia," Dr. J. F. Walker.

"The Eustis Mine," F. W. Snow & H. F. Brownbill.

"The Eustis Mill," F. W. Snow & H. A. Baxter.

"Canadian Natural Gas," Dr. G. S. Whitby.

Technical Session—Geology—

"Lake Athabasca Deposits," Dr. F. J. Alcock.

"Lake of the Woods District," Dr. J. E. Thomson.

"Porcupine District," Dr. M. E. Hurst.

"Chibougamau District," Dr. G. W. H. Norman.

"Geology in Prospecting," Dr. L. V. Bell.

"Gold Deposits, Afton & Scholes," Dr. E. S. Moore.

1.00 p.m. **Institute Luncheon**

(Gentlemen)

Institute Awards and Medals.

2.30 p.m. **Technical Session**

Review for Saskatchewan, Edgar Swain.

Review for Manitoba, Lt.-Col. G. E. Cole.

"Rubber in the Mining Industry," J. A. Porteous & R. P. Marr.

"Bauxite Mining, British Guiana," Dr. E. C. Harder.

"Mining Practice, Dominion Steel and Coal," T. L. McCall.

Industrial Mineraals Technical Session

"Industrial Minerals in Metallurgy," W. E. Newton, T. V. Lord T. H. Weldon and R. D. Perry.

"Rockwool," M. F. Goudge.

"Refractories," J. W. Craig.

8.15 p.m. "Aerial Reconnaissance," Dr. Chas. Camsell.

At National Museum.

"Nickel," by C. E. Macdonald.

March 19

9.30 a.m. **Technical Session**

Review for Alberta, A. A. Millar.

Review for Nova Scotia, J. P. Messervey.

"Problems of the coal industry."

In British Columbia, Lt.-Col. Villiers.

In Alberta, W. J. Dick.

In Saskatchewan, E. W. Garner.

In the Maritimes, Hon. Michael Dwyer.

Technical Session — Metals and Metallurgy.

"Refining Copper in Converters," T. W. Cavers.

"Welding," C. R. Whittemore.

"Why Metals Fail," Gordon St. G. Sproule.

2.30 p.m. **Concluding Session**

"The Coal Problem of Canada," F. W. Gray.

"Reminiscences," J. V. N. Dorr.

PRESIDENTIAL ADDRESS, Captain J. G. Ross.

Resolutions.

8.00 p.m. The Annual Banquet.

Dancing.

Canada's Gold Production By Provinces

Period:	Alberta Value $	British Columbia Value $	Manitoba Value $	Sask. Value $	Nova Scotia Value $	Ontario Value $	Quebec Value $	Yukon Value $	Total Value $
1858-1860	......	4,548,615	....	......	....	....	....	....	4,548,615
1861-1870	......	27,091,519	....	......	3,461,453	....	....	....	30,552,972
1871-1880	......	16,009,602	....	......	2,592,510	....	87,140	....	18,689,252
1881-1890	27,300	7,542,427	....	......	3,823,730	6,760	114,263	560,000	12,074,480
1891-1900	240,646	19,393,648	....	......	4,875,500	1,414,968	75,865	51,753,500	77,754,127
1901-1910	33,887	55,730,294	....	......	3,354,451	1,088,964	31,592	84,006,362	144,245,542
1911	207	4,930,145	....	......	160,854	42,625	12,672	4,634,574	9,781,077
1912	1,509	5,205,485	....	......	90,638	1,788,596	13,270	5,549,296	12,648,794
1913	......	6,149,027	....	......	44,935	4,543,690	14,491	5,846,780	16,598,923
1914	992	5,224,393	....	......	60,031	5,545,509	20,708	5,125,374	15,983,007
1915	4,026	5,651,184	....	......	137,180	8,404,693	22,720	4,758,098	18,977,901
1916	1,695	4,540,216	....	......	94,305	10,180,485	21,375	4,396,900	19,234,976
1917	......	2,764,693	9,095	......	45,685	8,749,581	31,235	3,672,703	15,272,992
1918	558	3,724,300	39,814	......	24,310	8,516,299	40,083	2,118,325	14,463,689
1919	500	3,457,406	14,966	......	17,571	10,454,553	30,388	1,875,039	15,850,423
1920	......	2,580,010	16,145	......	14,263	11,679,483	19,742	1,504,455	15,814,098
1921	1,013	3,117,147	4,279	......	9,075	14,640,062	13,271	1,364,217	19,148,920
1922	......	4,286,718	3,225	......	21,540	20,678,862	....	1,125,705	26,116,050
1923	......	4,137,261	641	......	13,540	20,086,904	13,788	1,243,287	25,495,421
1924	......	5,079,462	24,393	......	21,643	25,668,795	18,253	719,897	31,532,443
1925	......	4,531,824	91,452	......	33,612	30,202,357	33,116	988,465	35,880,826
1926	......	4,669,065	3,886	......	34,687	30,950,180	76,072	529,220	36,263,110
1927	868	3,784,889	3,762	......	65,137	33,634,108	172,217	639,483	38,300,464
1928	1,406	4,064,434	409,571	......	26,667	32,629,126	1,240,434	710,367	39,082,005
1929	103	3,187,680	464,186	......	55,545	33,535,234	1,876,961	741,954	39,861,663
1930	......	3,397,023	479,359	......	26,294	35,886,552	2,930,170	734,202	43,453,601
1931	4,031	3,308,920	2,128,558	......	9,509	43,117,600	6,203,101	915,969	55,687,688
1932	1,716	4,113,778	2,532,444	227	19,928	47,133,952	8,291,578	829,442	62,933,063
1934*	13,558	10,218,762	4,565,075	186,472	121,613	72,634,195	13,458,347	1,338,531	102,536,553
1935*	5,341	13,541,006	5,156,883	419,641	280,359	78,300,635	16,706,312	1,388,316	115,798,466
Grand total ...	346,054	250,883,114	18,532,065	717,968	19,559,605	635,782,663	59,489,874	189,896,874	1,175,208,217

*In Canadian funds; 1935 estimated.

PLACER DEPOSITS IN CARIBOO AREA GIVEN NEW CHANCE

Work at Consolidated Gold Alluvials Continues to Hold Interest

From Our Own Correspondent

VANCOUVER. — Probably the most interesting development in mining in British Columbia last year was the experience of Consolidated Gold Alluvials at Wingdam in the Cariboo district, because it not only represented the introduction of a revolutionary new method of gold extraction, but because it seems likely to transform into steady revenue-producers a large area that had previously been abandoned.

In the old days Lightning Creek and other creeks tributary to the famous Barkerville sector were known to be fabulously rich, but miners, using the only methods then known to them, were thwarted by seepage of slime, or the "Cariboo slum," curse of the old-time placer miner. Even with comparatively modern equipment, operators were unable to make progress in checking the slum which converted even the most carefully constructed workings into an impenetrable bog.

Then engineers with experience in Australia observed that Cariboo slum closely resembled the mud they had encountered in deep workings in the Australian gold fields. The Australian deep-level system was adopted at Wingdam by Consolidated Gold Alluvials, financed by British capital, and the old-timers were amazed to see that the scheme actually worked. The tertiary gravels of Lightning Creek will soon be tapped, and in the meantime recovery from an inter-glacial deposit is approaching 1,000 ounces a month.

Laguna Gold Makes Offering of Stock

A syndicate, headed by Milner Ross & Co. members of the Toronto Stock Exchange is currently offering 482,995 shares of Laguna Gold Mines, subsidiary of Mining Corp. and having property in the Herb Lake section of Manitoba.

The company reports that since June, 1934, over $300,000 has been spent on the equipment and development of the property. A total of 22,996 tons of positive ore, and 7,810 tons of probable ore is reported. On the basis of the 50 ton per day mill which it is planned to have in operation not later than August, 1934, this ore would with the tailings dump give about two years' supply. This tonnage is between the 350 and 750-ft. levels, with development work still progressing in this block. Average grade is estimated to be about .507 oz. or $17.75 per ton. There is in the surface dump 4,200 tons of .27 ounce grade, which would bring total ore reserves to 35,000 tons.

In addition to providing for the installation of the mill, the offering is aimed at providing for opening up two additional levels below the 700-ft. level.

LOW WRITE-OFFS AID ST. ANTHONY

Balance Sheet Reveals Improved Condition—Loan Paid

By writing off pre-production development at 50 cents per ton of ore treated, and depreciation at ten per cent, and by capitalizing, as a fixed asset, the cost of sinking a new incline shaft, crosscutting, and head frame, St. Anthony Gold Mines shows a surplus of $2,042 in its annual report recently released.

Gold mines are allowed by the government income tax department to write off pre-production development at $1 per ton, and are allowed 15 per cent for depreciation. It is usual to take advantage of these allowances.

It is also contrary to usual mining practice to show the cost of shaft sinking as a fixed asset.

During the year the company milled 44,550 tons of ore, of which 10,012 tons came from the old tailings dump. Average recovery per ton works out to about $6.70.

Referring to ore reserves, R. P. Teare, mine manager, states that while the character of the ore is difficult to sample, he estimates that there is one year's ore available at the present time.

Current assets as at Dec. 31, 1935, totalled $40,113 of which $14,717 was cash. Current liabilities were $21,474, leaving a working capital of $18,639, compared with working capital position of $18,271 at the end of 1934.

Income and Surplus Account
Years Ended Dec. 31

	1935 $	1934 $
Bullion prod.	303,152	
Less: Refining & handling charges	4,565	
Net prod.	298,587	123,264
Add: Sundry rev.	102	......
Total income	298,689	123,264
Less: Mines exp.	206,068	61,907
Head office exp.	15,484	......
Int. & bank chgs.	3,620	......
General exp.	......	31,521
Oper. profit	73,517	29,836
Less: Deprec.	37,521	17,905
W/o rehab., renov., etc.	15,870	10,221
Devel. exps. w/o	17,269	......
Taxes	815	......
Net profit	2,042	1,710
Add: Prev. surplus	1,710	......
Earned surplus forward .	3,752	1,710

TOBURN EARNINGS 11 CENTS A SHARE

Veteran Kirkland Lake Producer Shows Good Year

Earnings per share of about 11 cents, as compared with 7 cents per share in 1934, and a stronger working capital position are shown in the annual report of Toburn Gold Mines, subsidiary of Premier Gold Mines, at Kirkland Lake, Ont.

In addition to the above improvements, Toburn has increased its ore reserves from 60,550 tons, averaging .63 ozs. gold to the ton, to 82,650 tons, with an average grade of .57 ozs. per ton.

During the year, the company treated 35,360 tons of ore, from which bullion to the value of $705,381 was obtained, after deducting marketing charges. An increase of about $10,000 in corporation taxes is offset by an increase in miscellaneous income, and lower depreciation and depletion write-offs.

One of the important developments of the year, states H. A. Guess, president, was the location of what is considered to be the eastern continuation of the north vein system of the Kirkland Lake camp.

The balance sheet shows current assets of $595,139, as against current liabilities of $57,527, leaving a working capital of $537,612, comparing favorably with a working capital of $407,736 as at Dec. 31, 1934.

Income and surplus accounts for the years 1934 and 1935 follow:

Income and Surplus Account
Years Ended Dec. 31

	1935 $	1934 $
Prod. less mktg. exps...	705,381	709,166
Less: Oper. exps.	376,306	353,788
Adminis. exps.	4,738	4,694
Corp. taxes	46,511	36,104
Net oper. earnings	277,826	314,580
Add: Misc. gain	2,293	1,231
Less: Deprec. & dep.	60,894	182,101
Net profit	219,225	133,710
Less: Dividends	148,000	148,000
	71,225	*14,290
Add: Prev. surplus	112,433	126,723
Balance forward	183,658	112,433

*Deficit.

Earnings per Share and Dividends:

	1935	1934
Common: Earned	$0.11	$0.07
Paid	0.08	0.08

Canada Northern Power Operations Record Growth

From Our Own Correspondent

MONTREAL.—Power production of Canada Northern Power Corp. for January again exceeded the 50 million kw.h. mark with a total 50,159,021 kw.h., an increase of 1,434,661 kw.h. over the output of the same month last year.

The mining sections served by the company all report progress. A number of the larger mines are adding to their milling capacity, while several new mines are completing arrangements to take power.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

IN 1888, WHEN THIS ORGANIZATION WAS FOUNDED, THE GOLD PRODUCTION OF CANADA WAS 61,310 OUNCES.

LIKE THE GOLD MINING INDUSTRY, IT HAS GROWN AND DEVELOPED. TODAY IT FURNISHES A DIVERSITY OF SERVICES TO CANADIAN INDUSTRIAL AND MINING ENTERPRISES, CHIEF AMONG WHICH IS A TESTING AND ANALYTICAL SERVICE ON WATERS, OILS, FUELS, METALS, ETC., AND A CONSULTING SERVICE ON INDUSTRIAL CHEMICAL MATTERS.

TO THE PROSPECTOR, MINING SYNDICATES, INVESTORS AND PROMOTERS OF MINING DEVELOPMENT IT OFFERS A COMPETENT AND COMPLETE MINING ENGINEERING SERVICE UNDER THE DIRECTION OF: —

JAS. G. ROSS
WM. T. MAY
AND ASSOCIATES

MILTON HERSEY COMPANY LIMITED
Industrial Chemists, Assayers and Engineers
MONTREAL ● WINNIPEG

New Issue

482,995 Shares, Par Value $1.00

Laguna Gold Mines Limited
(No Personal Liability)

CAPITALIZATION

Upon completion of this financing, the Authorized Capital of $3,000,000, divided into 3,000,000 shares of $1.00 each, will be outstanding.

The Company has summarized its letter to us as follows:

THE PROPERTY AND DEVELOPMENT

The property, comprising over 400 acres, is located on the east shore of Herb Lake, LaPas District, Manitoba, a distance of 22 miles from Mileage 81 on Hudson Bay Railroad.

The vein has been traced on the surface for a length of 1800 ft. The northerly 800 ft. has been explored at several levels to a vertical depth of 700 feet, and several commercial ore shoots developed. The two major shoots have been developed on all levels from the surface to the present bottom level.

Surface indications up to 700 feet beyond the most southerly underground workings indicate excellent chances of developing commercial ore and will be explored by underground work.

Diamond drilling from the 350 and 625 ft. levels has indicated excellent chances for parallel ore bodies which will be explored by underground work.

The south porphyry stock has not been explored but is considered to hold reasonable chances for the occurrence of veins similar to the main vein.

POSITIVE AND PROBABLE ORE AND GRADE

Positive ore shown below is ore developed by drifting and raising. Probable ore is ore developed by drifting with reasonable allowances for vertical extension. No allowance has been made for extension below the 750 level.

Tonnage and grade are shown in the Tables below. In Table 1 all assays from drift sections are included but all assays above five ounces have been reduced to that level. In Table 2 all assays above two ounces have been reduced to the average.

In both calculations grades shown below were adjusted for dilution in stoping.

	Tons	Table 1 Grade Uncut Oz. per Ton	Table 1 Grade Uncut @ $35 Gold	Table 2 Grade Cut Oz. per Ton	Table 2 Grade Cut @ $35 Gold
Positive Ore	22,996	0.68	$23.80	0.538	$18.83
Probable Ore...........	7,810	0.47	16.45	0.414	14.49
	30,806	0.63	$22.05	0.507	$17.75

The above tonnage is between the 350 and the 750 level, with development work still proceeding in this block. In addition there is in the surface dump 4,200 tons of .27 ounce grade, making total ore reserves of 35,000 tons.

PURPOSE OF ISSUE

The proceeds of this issue will provide for the installation of a 50-ton mill which it is expected will be in operation not later than August, 1936. The mill is being constructed with a view to easy duplication as and when considered advisable. In addition, it provides for the sinking and opening up of two additional levels at 125 ft. intervals, the exploration of the parallel ore indications referred to in a preceding paragraph, and the repayment of certain advances by The Mining Corporation of Canada, Limited.

GENERAL

Since June, 1934, over $300,000 has been spent upon the equipment and development of the property. Ore reserves for two years milling have been developed, and additional development will be carried on during mill construction. On even a 50-ton operation, after allowing for all charges including depreciation and taxes, and a large amount for development costs, the property will show an attractive profit. Possibilities for additional substantial development and large ore bodies are excellent.

OFFICERS AND DIRECTORS

PRESIDENT
J. H. C. WAITE,
President, The Mining Corporation of Canada, Limited.

DIRECTORS
W. R. P. PARKER, K.C., Toronto, Director, The Mining Corporation of Canada, Limited.
HON. CHARLES McCREA, K.C., Chairman of Board, The Mining Corporation of Canada, Limited.
E. H. ROSE, London, England, Partner, Rose, Van Cutsem & Company.
C. E. TRAFFORD, M.C., London, England, Merchant Banker.

SECRETARY
G. C. AMES, Toronto.

Engineering reports upon the Laguna property by Messrs. John Drybrough and A. K. Muir are on file at the office of Milross Securities Corporation Limited, Toronto, where they may be inspected.

This offering is made by the offerors as principals and not as agents. The shares to be sold under this offering are shares purchased and to be purchased from the Company; consequently the proceeds of this issue will not go into the treasury of the Company.

Price: 60 cents per share

Milner, Ross & Co.
Members, Toronto Stock Exchange

Burns Bros. & Company
Members, Toronto Stock Exchange

Johnston & Ward
Members, The Montreal Stock Exchange

Jackson Brothers
Grain Company, Limited
Winnipeg

Melady, Sellers & Company
Limited
Winnipeg

Kippen & Company, Inc.
Montreal

Notice to Shareholders of

ROBB-MONTBRAY MINES, LIMITED
(No Personal Liability)

Shareholders and persons holding certificates for shares of this Company in street names are requested to have their certificates registered in their own names.

Notice of the Annual General Meeting of Shareholders accompanied by the Directors' Report and Financial Statement together with an announcement of importance will shortly be mailed to the registered Shareholders of the Company.

The Company's Transfer Agents are The Toronto General Trusts Corporation, 253 Bay Street, Toronto, Ontario, to whom certificates should be delivered for registration.

L. SOLIAGUE,
Secretary.

Toronto, March 9th, 1936.

Mining Interests Require Trust Company Service

An important part of our duties is acting as

REGISTRAR, for the issue, registration and transfer of your company's shares — or as depositary, trustee or secretary.

MANAGER of funds, bond issues and of properties in liquidation.

AGENTS under Escrow or Pooling Arrangements.

TRUSTEES under mortgages.

Inquiries by mail or by personal consultation with our officers are given careful attention.

CAPITAL TRUST
CORPORATION, LIMITED
TORONTO OTTAWA MONTREAL

Kirkland Looks East

New Life Stirs in Area Long Known but Never Before Famous

After flirting with the idea of expanding eastward for many years, the Kirkland Lake gold camp, wherein are located some of the deepest workings in the continent, is taking steps to crystallize the notion

Recent developments have done more toward achieving this ambition than has been done for many years. One need no longer think of the Kirkland Lake camp as being confined to a strip of territory two miles long (incidentally one of the richest two-mile strips in the world). The Kirkland Lake camp has shown itself to be greater than the seven main producers which have heretofore contributed most of the wealth. In addition to these seven main producers there are now scores of prospects, known for years, and now getting a thorough exploration.

In the meantime, the seven leading producers in this field continue to give a good account of themselves, development work supporting the view of those geologists who believe that the depths limits of the camp have by no means been reached.

Value Drops Slightly

Despite higher tonnage, however, the value of 1935 production showed a slight decline in 1935, thus allowing the Porcupine camp to earn the title of Canada's richest gold camp by a narrow margin. In 1935, from 1,997,012 tons of ore treated, gold to the value of $33,010,974 was produced, as compared with $33,379,855 in gold, from 1,972,320 tons in 1934. On a per ton basis, the average recovery for 1935 amounted to $16.53 as compared with a recovery of $16.93 in 1934.

Production reports for 1936, however, indicate that the Porcupine field will have to look closely to its laurels if it is not to be ousted from top position once more by Kirkland Lake. January production from the latter area was considerably higher than Porcupine's.

Starting with the most westerly producer, 1935 was a period of expanding development for **Macassa Mines.** Centre of interest, from the development standpoint, is, at the present time, the development on the lowest level the 2,950 level. The company has had particular success in opening up what appears to be a new ore body to the east and west, the grade being reported higher than the average on the upper levels.

The company now plans to open up a block of levels below the 2,950, and to start winzing from this level in June

In the calendar year, 1935, Macassa paid a total of 15 cents per share in dividends. For the nine months ended Dec. 31, the company earned over 10 cents per share, earnings being slightly down due to increased emphasis on deep development.

Kirkland Lake Gold

Kirkland Lake Gold Mines, adjoining Macassa on the east, increased its tonnage last fall, and is now handling from 225 to 230 tons of ore per day. Millfeed is being drawn from various levels of the mine, including the second block of deep levels. The management is endeavoring to clean up the present deep levels, and concentrate efforts more extensively on the upper horizons. After sufficient headway has been made on these levels, officials plan to probe still deeper into the property.

Kirkland Lake Gold has pioneered depths development at Kirkland, levels being approximately 5,400 ft. at the present time. While the depths limits can only be conjectured, geologists, including Dr. J. B. Tyrrell, president of the company and one of the greatest experts on the Kirkland Lake break, is of the opinion that the major problems will be climatical, rather than geological. In the matter of climate, the Kirkland Lake camp is fortunately situated, rock temperatures, due to the age of the formation, being much lower than in other and deeper gold camps in the world.

Teck-Hughes

Teck-Hughes, which adjoins Macassa to the east, and Kirkland Lake Gold to the north, continued to obtain most of its millfeed from between the 20th and 40th levels, although some development work was done on the lower levels down to the 50th. Nothing new of importance was reported from this deep development, and ore reserves as at Dec. 1, 1935, showed a slight decline, positive ore being estimated at 670,813 tons, of an average grade of about 8.06 dwts, or, with current gold prices, about $14.10 per ton. This figure compares with a positive ore tonnage of 683,709 tons, of an average grade of about $14.33 per ton at the end of August, 1935.

Interest in **Lake Shore Gold Mines'** development centred around the new No. 5 shaft, which, it is estimated, will cost in the neighborhood of $3 millions and will be the finest of its kind in Canada. At last report this shaft was down to the 1,200-ft. level, its objective being the 3,950-ft. level. The shaft will be used for hoisting ore and men.

The mining policy of Lake Shore remains unchanged, and a large percentage of the mill feed continues to be drawn from the levels above the 2,000-ft. level. Early in 1936, however, the 3,200-ft. level was opened up, and part of the present mill feed is being drawn from this area of the mine.

Like all gold mines, Lake Shore has been materially aided by higher gold prices, and exploration in the middle and upper levels of the mine made further developments on the lower levels unnecessary.

Wright Hargreaves

Wright Hargreaves Mines, northeast of Lake Shore, is currently considering an increase in mill capacity from 1,000 tons per day to 1,200 tons per day. The company is sinking an interior shaft to the 5,000-ft. level in search of ore at depth. During the past year, the company has achieved higher recovery and lower costs. Tonnage of ore reserves was added to, but owing to the policy of mining out the lower grade ore in the upper levels, the gross value of reserves is down slightly, standing, as at Aug. 31, 1935, at $15,411,227 as compared with a gross value of $15,643,197 at the end of the 1934 fiscal year.

Canada's Wonder Mine at Night

Lake Shore Gold Mines, at Kirkland Lake, which has been producing steadily since 1918, and has attained the position of being the largest producing gold mine on the North American continent, presents a striking spectacle at night, as the wheels of the huge mill grind ceaselessly, sustaining the hum which was first heard eighteen years ago. Above is a recent view of this property.

Another achievement of the year was an increase in working capital of $785,000, leaving the company with a working capital of approximately $3.5 millions

Syvanite May Expand

Sylvanite Gold Mines, increased its mill capacity to 425 tons daily in 1935. The lowest level of the mine to date is at 3,600 ft. Favorable ore development on this level is giving rise to reports of expanded production at this conservatively managed producer.

This possibility becomes a probability when one considers the comparatively large amount of development work being carried on by Sylvanite, amounting to about 1,000 ft. per month, and costing about $50,000 per year. These added developments costs are largely compensated for by lower operating costs and higher extraction, both of which set a new mark for this company.

Every year, Sylvanite's exploration subsidiary, Erie Canadian Mines, becomes of an increasingly important factor in the company's affairs. Under this arrangement the company is financing development of Delnite Mines, referred to in the review of the Porcupine camp. Early in 1936, Erie Canadian dropped its option on the Bathurst property in the Red Lake district of Northern Ontario.

Toburn's Recovery

The most easterly producer in the main Kirkland Lake is **Toburn Gold Mines** subsidiary of Premier Gold Mining Co. This property was formerly known as the Tough-Oakes-Burnside group, and was put into production by Premier in 1932. Latest ore figures show positive ore of 60,550 tons, with an average grade of about .63 ounces gold to the ton. It is expected that the 1935 annual report will show an increase over this tonnage. Toburn's mill is handling around 100 tons per day. Recovery in the third quarter of 1935 was approximately $190,453, from 9,085 tons.

Probably the most famous level in the Kirkland Lake camp just now is the 500-ft. level at **Bidgood Kirkland Gold Mines,** whose property lies about seven miles east of the main camp. The interest aroused by the discovery of new ore on this level was due not so much to its proportions or grade, since development work has not yet continued far enough to ascertain its ultimate importance. It was the dramatic suddenness of the discovery, and the fact that it came shortly after Bidgood creditors agreed to extend maturity of a mortgage for one year, which made the Bidgood discovery the most exciting news from this sector for years.

Ore Length at Least 310 ft.

Latest news from this property states that drifting has opened up a continuous length of ore for 310 ft. An average grade of about $27 per ton over a width of at least five feet has been indicated for this length, at time of writing.

While this impressive showing has enabled Bidgood Kirkland to pay off the creditors, one hundred cents on the dollar, and has given the company the firmest grip enjoyed since its inception, the true significance of the discovery will not, of course, be known until the company has been able to see how the deposit behaves on other levels.

Spurred on by developments at Bidgood, **Moffatt Hall Mining Co.,** whose property lies immediately south of Bidgood, is making plans to resume operations, after a period of idleness. Moffatt-Hall Mining Co. succeeded **Moffatt-Hall Mines,** which is now surrendering its charter, and entering liquidation. Shareholders of Moffatt-Hall Mines will, at the discretion of the Ontario Securities Commission, receive stock in the new company of which Moffatt-Hall Mines has 2.5 million shares.

Officials of Moffatt-Hall claim the drift on Bidgood's 520 vein has been extended into Moffatt-Hall ground.

Gordon-Lebel Mines, which owns the old Pinelle-Kirkland property, east of Bidgood has announced its intention of drilling the property, after a long period of idleness. **Glenora Gold Mines,** which lies south and east of the Kirkland Lake camp, is arranging finances to resume underground work on its property. The same is true of **Lakeside-Kirkland Gold Mines,** which purchased the assets of Queen-Lebel.

Morris Kirkland Gold Mines, which succeeded Kirkland Gold Belt Mines, is at an advanced stage of development, and recently announced plans for the erection of a 100-ton mill on its property near the Kirkland Lake-Rouyn highway. Officials have estimated ore reserves at 45,000 tons, of which 25,000 tons grades $10 per ton or better. The company reports encouraging results on nearly all levels down to 750 ft., which is at present the deepest level in the mine.

Drama of Omega

Sharing dramatic honors with Bidgood-Kirkland was the property of **Omega Gold Mines,** which lies in the Larder Lake district, east of the Kirkland Lake Camp. The history of this property is by now well known, and details of its transformation, under the guidance of the Ontario Securities Commission, from an unconnected group of claims and companies into a producing mine, are now matters of history. Early in 1936, Omega started production with a 300-ton mill, and with reserves placed at about 440,000 tons, grading about $6.65 per ton. Omega, a subsidiary of Castle-Trethewey, has served to enliven the whole Larder Lake camp, and considerable activity is looked for in the district during the coming year.

Newfoundland in 1936

Earning Power of Miners Now Second Only to Paper Industry

"The relative prosperity of our few mining communities in a year fraught with difficulties for the fishing industry again emphasizes the desirability of expansion of mining activities."

This sentence, from a recent report of the geological section of Newfoundland's Department of Natural Resources, gives the keynote for this colony's new spirit.

Newfoundland is going about the development of her mining industry in a modern scientific manner, profiting from the mistakes and setbacks of other countries.

The revival of interest in the mining possibilities of Newfoundland and Labrador dates virtually from the inception of the Commission government. Due largely to the work of the government's geological department, geophysical and geological surveys, and an intelligently directed programme of exploration, the rocks of Newfoundland are getting the most thorough and exhaustive examination in the history of the country.

Knowledge and Faith

Although no new mines were brought into production during the past year, it is safe to say that Newfoundland today knows more about her rocks than ever before, and that this knowledge has served to bolster, rather than puncture, faith in the mining possibilities of the country.

This faith is based on tangible facts.

In 1935, the total value of Newfoundland's mineral exports was approximately $5.8 millions, as compared with $3.5 millions in 1934.

The per capita earnings of miners compares only with that of paper manufacturers in the economy of the country.

Freight received from Buchans concentrates is a considerable source of revenue to the publicly owned railroad system, and amounts usually to about $500,000 annually.

Revenues from mineral leases, licenses and royalties in the fiscal year 1935-1936 are estimated to have yielded the government $40,000.

The accompanying table, prepared by the Department of Natural Resources, shows the quantity and value of Newfoundland's mineral exports up to Dec. 15, 1935, as compared with total exports for 1934.

Gold Setbacks

Newfoundland authorities still feel that the country may yet find gold an important source of revenue, despite a few setbacks last year. Chief of these came when N. H. Timmins Inc. dropped work on two prospects at Sop's Arm and Ming's Bight. The hope that this will prove only a temporary setback, however, has been bolstered by subsequent discoveries in this area.

From the standpoint of value, the operation of Wabana Iron Mines, at Bell Island continues to be in the lead. As will be seen from the accompanying table, value of output in 1935 very nearly doubled the 1934 figure. The United States market continues to be virtually inaccessible, and Europe remains the chief outlet for this country's tremendous iron output. Mining of iron ore at this property first started in 1895, and has since risen to be the greatest source of iron in the British Empire.

Buchans Output Up

Rivalling the Wabana iron operation in value of production is the lead-zinc production of Buchans Mining Co., controlled by the American Smelting & Refining Co. and the Anglo-Newfoundland Development Co. Although originally discovered in 1905, this deposit did not come into production until 1927. The 1935 production of copper, lead and zinc was valued at over $33.5 millions as compared with $1.8 millions in 1934.

Molybdenite Revives

During 1935, the mineral survey carried on by the government concentrated largely on molybdenite deposits, of which more than four are known to occur in Newfoundland

The chief function of molybdenite is to strengthen steel, and the growing popularity of alloy steel, plus generally favorable findings of the surveyors, give real basis for hope that capital may, before long, be obtained to bring these deposits into production.

Another mineral of potential importance to Newfoundland is contained in the extensive pyritic copper deposits, centred chiefly at Notre Dame Bay. The Notre Dame deposits were extensively worked from 1864 until 1912, but new processes for making elemental sulphur from such ore, again focuses interest in these deposits, with the result that they are understood to be under consideration by Texas Gulf Sulphur.

Newfoundland's mineral stocktaking is by no means completed. Last year a Colonial Development Fund grant of $75,000 permitted the commencement of a five-year geodetic survey of the island, with the co-operation of the Geodetic Survey of Canada.

Nickel Installs Electric Furnace

International Nickel Co. is installing electric furnaces at the Copper Cliff refinery. Up to this time, the company has been using reverberatory furnaces where they got their heat from powdered fuel and air blown in.

The present installation is being made to permit the final melting of copper in the electric furnace. It will be poured from the furnace into the molds. It is now being melted in a reverberatory furnace about 40 ft. long. The company has been experimenting in its refinery in the United States, and has found this method very satisfactory.

Parkhill Gold Mines Recovers Nearly $50,000

From Our Own Correspondent

MONTREAL. — Parkhill Gold Mines reported gross recovery during January and February of $49,538 from 3,800 tons milled during the period.

Owing to hoist motor trouble, the mill operated only 27 days during January. Average daily milling during the two months period was 68 tons, with an average daily recovery of $900.

For the twelve months ended February 29, 8,985 tons was milled, with a total recovery of $125,060. Mill head averaged $14 a ton, with a daily milling average of 60 tons. During this period the mill operated 90 per cent of the total time.

Mines' Appetite For Hydro Power Proves Colossal

Ontario Hydro Power Commission is getting new contracts continuously to supply power for the mining districts of Northern Ontario.

The Hydro is doing this work for the Ontario Government, and practically all the power is received from the Abitibi Canyon Development taken over from Abitibi Power & Paper.

Officials of the Hydro have a very busy time in the North. Nearly every week or ten days there is some new development which has to be studied and catered for. They are called on to supply power for every phase of mining development from the prospect to the completed mine. No day passes by without applications for information as to rates and conditions of supply.

The Hydro does not build lines to new properties unless it gets a bond or guarantee from the company that is signing up for the power. This bond protects the government on its expenditures. This measure is intended to discourage business from companies or interests desiring to sign up for a contract when they have really nothing to sign up for.

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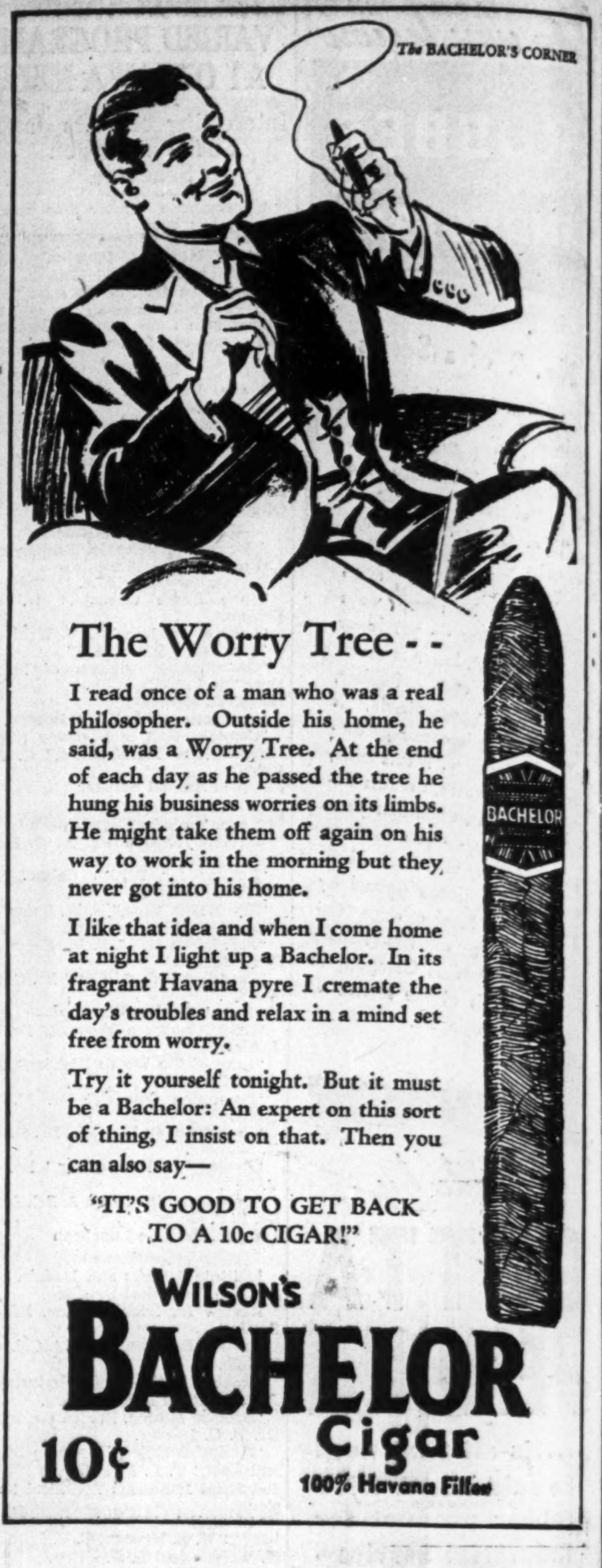

The Worry Tree - -

I read once of a man who was a real philosopher. Outside his home, he said, was a Worry Tree. At the end of each day as he passed the tree he hung his business worries on its limbs. He might take them off again on his way to work in the morning but they never got into his home.

I like that idea and when I come home at night I light up a Bachelor. In its fragrant Havana pyre I cremate the day's troubles and relax in a mind set free from worry.

Try it yourself tonight. But it must be a Bachelor: An expert on this sort of thing, I insist on that. Then you can also say—

"IT'S GOOD TO GET BACK TO A 10c CIGAR!"

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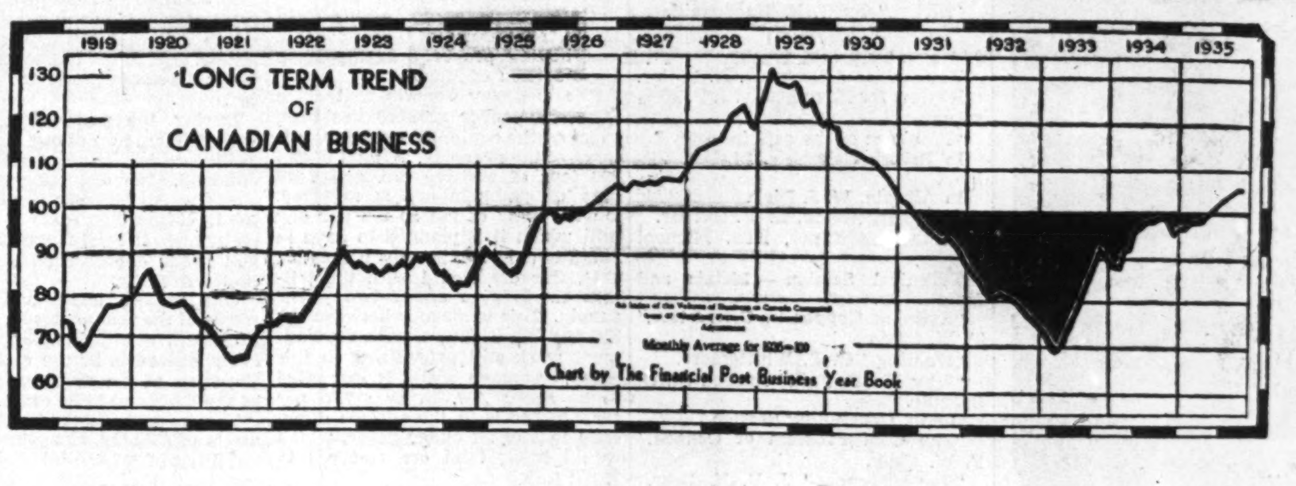

The Valley of the Shadow is Filled Up

The above chart illustrates strikingly how Canada has filled up the valley of the shadow of depression — and has moved on to business volume even above the 1926 levels.

In this recovery, the mining industry has been one of the most brilliant performers — creating millions in new wealth which has flowed beneficially into all the nation's economic channels.

A mining company's stock certificates are its symbol of potential new wealth and of the company's integrity. They must not fail before the counterfeiter.

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